191 OK.

NATIONAL MUNICIPAL REVIEW

PUBLISHED MONTHLY BY THE

National Municipal League

SERVING ALSO THE

AMERICAN CIVIC ASSOCIATION NATIONAL CITY PLANNING CONFERENCE

VOL. XIV, No. 4 APRIL, 1925 TOTAL No. 106

CONTENTS

COMMENT ..... *H. W. Dodds* 205

KANSAS CITY ADOPTS THE MANAGER PLAN ..... *Walter Matscheck* .. 207

HOW COLORADO SPRINGS CARES FOR THE TREES ..... *Fred P. McKown* .. 208

LOS ANGELES RETURNS TO THE WARD SYSTEM ..... *C. A. Dykstra* 210

A NEW DAY IN CIVIC CO-OPERATION ..... *William P. Lovett* .. 213

CHIEF ELEMENTS OF CONTROVERSY IN PUBLIC UTILITY RATE MAKING ..... *John Bauer* 215

GOVERNOR PINCHOT AND THE MERIT SYSTEM ..... *H. W. Dodds* 220

THE CASE FOR MECHANICAL BALLOTING ..... *T. David Zukerman* 226

PUBLIC WELFARE! WHOSE RESPONSIBILITY? ..... *Robert W. Kelso* ... 233

THE POWER AND PRACTICE OF VIRGINIA COUNTY BOARDS ..... *Mary E. Pidgeon* .. 240

MUNICIPAL HOME RULE IN NEW YORK ..... *Laurence A. Tanzer* 246

DEPARTMENTS

I. Books and Publications 254

II. Governmental Research Conference Notes ..... *Edited by Arch Mandel* 260

III. Items on Municipal Engineering ..... *Edited by W. A. Bassett* 262

IV. Notes and Events ..... *Edited by H. W. Dodds* 264

GRIFFENHAGEN & ASSOCIATES, LTD.

offer an effective and unique audit and examining service to municipal corporations, counties, states, and public institutions as a feature of their general practice in the field of fiscal administration. They will be glad to describe it upon request.

HEADQUARTERS OFFICES AT 155 EAST SUPERIOR ST., CHICAGO

THE LEAGUE'S BUSINESS

Awakening Interest in County Manager. A movement is under way in the legislatures of both Ohio and Missouri towards the adoption of measures which will make it possible for counties to accept the county manager plan. The League's office has been in correspondence with members in both states and is assisting in drafting the needful legislation.

A good many members of the League have already written for copies of our two new pamphlets, "A New Kind of County Government" by Herbert Quick and "The County Manager Plan" by Richard S. Childs. Several thousand of these pamphlets were distributed last month to county farm agents, granges, school teachers and others. We shall be glad to furnish a copy of each gratis to anyone who requests them.

*

Distribution of Report on Comparative Tax Rates. Through the kindness of Mr. George B. Dealey, an old member and officer of the League, 300 copies of the reprints of the report on comparative tax rates compiled by C. E. Rightor and published in the REVIEW for last December were distributed to the delegates attending the convention of the National Association of Real Estate Boards at Dallas, Texas.

*

National Municipal League Series of Monographs. Believing that the public good will be served by a series of monographs on special municipal topics, the League has undertaken such publication. The series is intended to deal in a practical and helpful manner with the technical phases of local government and administration. It is hoped thereby to present in book form material which must now be gleaned from a number of books and magazines or which, because of its specialized nature, lends itself to treatment in brief compass.

The first of the series is entitled "Municipal Budgets and Budget Making" and was written by A. E. Buck. It is intended to be of help to officials whose duty it is to make budgets and to set forth for them and for citizens and students generally the principles of sound budget procedure. An appendix containing topics for discussion and report has been added for the benefit of teachers.

The price of the book is $1.50 and orders are now being received for early delivery.

*

Revision of Model Charter. The committee at work upon the redraft of our model charter held a two-day session in New York, March 20 and 21. A tentative draft of the sections which are to be rewritten is first prepared by Dr. A. R. Hatton and then submitted to the committee for criticism and action. A new model charter following the general principles of the present one but revised and improved in detail will be ready in the autumn.

NATIONAL MUNICIPAL REVIEW

VOL. XIV, No. 4 APRIL, 1925 TOTAL No. 106

COMMENT

The City Manager plan was rejected by the voters of Seattle on March 10 by a majority of 4,500 in a total vote of almost 50,000. Less than 50 per cent of the registered voters participated in the election.

*

The International Town, City and Regional Planning Conference will meet in New York on April 20–25. The list of speakers includes many distinguished persons from the United States and Europe. The National Conference on City Planning will hold its annual meeting at the same time. Inquiries should be addressed to Flavel Shurtleff, 130 East 22nd St., New York.

*

Salt Lake City has joined the ranks of those municipalities which provide civic opera. According to the City Report, just come to hand, the first experiment, undertaken last year, made it possible for 16,000 persons to enjoy gratis an excellent production of "The Pirates of Penzance." The musical director of the city's recreation department had entire direction of the opera.

*

A resolution sponsored by Senator Robert E. Dowdell, proposing a single chamber legislature for South Dakota has passed the state senate by a vote of 26 to 15. If it is similarly successful in the lower house it will become effective upon a majority vote of the people at the next election. The amendment provides that the legislature will meet every three months.

The vote in the upper house was the first evidence of success of more than eighteen years' effort by Senator Dowdell in form of a single chamber legislature.

*

What is said to be the largest relief map in the world depicts the state of California. It has been placed in the San Francisco Ferry Building and affords what is equivalent to an aeroplane view of the state. It is 600 feet long and 18 feet deep. The scale is six inches to the mile. The map was constructed under the auspices of the California Development Association.

*

City managers must be versatile men, for they are asked to perform many strange services. We have heard of one manager who was called up at night on the telephone for help on a school child's problem in arithmetic; and now comes word from another of a request from a woman asking the manager to persuade her husband to bathe. Another suppliant, who wished to be divorced from her husband, asked the manager to find a rich wife for him in order that after the divorce he might be supported in the style to which he was accustomed.

Literacy Test for Voting

In the get-out-the-vote campaign last fall no attention was paid to the mental qualifications of the voters. The object was mass production of votes, and quality was not considered.

More than twenty states require some kind of educational test to vote. Sometimes it is merely proof of ability to read; again the voter must demonstrate that he can read and *understand*, and perhaps write. About half of the states which have adopted such tests are in the south, where the purpose is to exclude as many negroes as possible.

New York adopted a literacy amendment to the constitution in 1921 under the conviction that literacy is a *sine qua non* to intelligent voting. The next year the legislature turned over to the state department of education responsibility for conducting the examinations. Dr. William J. O'Shea, New York City superintendent of schools, asserts that the administration of the tests under his jurisdiction has been a pronounced success. He believes that, by turning the examinations over to the regular school authorities, the old objections to such tests, based largely upon defective administration, have been removed.

*

The Smithsonian Report on Ontario Hydro-Electric

Sir Adam Beck, head of the Ontario-Electric system, is much incensed over a report by S. S. Wyer published by the Smithsonian Institute which to all intents and purposes carries the official endorsement of the Institute. The report is intensely critical and, according to Sir Adam, contains "gross misrepresentation" and "false information designed to be injurious to the general welfare of the people of a friendly nation." Mr. Wyer has not confined himself to a simple, scientific examination of the Hydro-Electric performance, but has from time to time betrayed an emotional animus which immediately earmarks his opinions as propaganda, and to which Sir Adam makes vigorous and effective reply.

The keystone of Mr. Wyer's criticism is an alleged $19,000,000 deficit, created by failure of the consumers to pay the full cost of the manufacture and distribution of the power which they receive. More than $15,000,000 of this deficit is laid to sinking fund shortages. Sir Adam Beck's reply on this point demonstrates the superficial nature of Mr. Wyer's examination and supports the charges regarding the casual and hasty manner in which his investigations were carried on.

Accepting for the sake of argument that a public utility should amortize its investment (something no privately owned utility is expected to do), it still remains that Mr. Wyer has been deceived by the early maturity of some of the bonds. Many of the bonds are for short terms and he has figured sinking fund charges on the assumption that they are to be retired at maturity. However, these short term bonds were issued with the intention of being refunded. As a matter of fact, according to Sir Adam, "the various dates of maturity . . . have nothing to do with the period over which the commission retires its capital by means of sinking funds." This period is from 30 to 40 years. Under the law the short term bonds will be refunded; sinking funds are ample and there is no shortage.

The Wyer report speaks of "slogan-made public opinion" and "good vote-getting" and the commissioners of the Ontario Hydro-Electric may well ask why such gratuitous insults have issued from a friendly power.

KANSAS CITY ADOPTS THE MANAGER PLAN

BY WALTER MATSCHECK
Director, Kansas City Public Service Institute

Kansas City (population about 350,000) has joined up with Cleveland and Cincinnati. :: :: :: :: :: :: ::

On February 24 Kansas City adopted its new council-manager charter by a vote of 37,504 to 8,827.

The outcome of the election was even better than the advocates of the charter had hoped for. The opposition proved to be more ineffective than was expected, though it was not thought at any time that the charter would fail. The question merely was whether it would go over by a small majority or by a large one. The size of the majority was thought to depend largely on the weather. A perfect day got out a fair vote.

REVERSES EARLIER VERDICT

Kansas City has been hearing about the manager plan for about ten years. A manager charter was drafted and submitted in 1917. This, however, was a very poor example of a manager charter, due to limitations which at that time existed in the state constitution. It lost by a very few votes. Since then an almost continuous campaign of education has been carried on. The people of Kansas City have become familiar with the idea and "sold" on it, and no one doubted that this time it would go over.

The total vote, about 46,000, was a light vote, but not particularly light for a special election. It is always difficult to get out a heavy vote at a special election in Kansas City. Two things kept down the vote below what was expected at this election. First, there is the indifference which always exists on the part of many people; and, second, there was everywhere a feeling of confidence that the charter would pass, and probably thousands of people who favored the charter neglected to vote, believing it was unnecessary because the charter would carry anyway. If the charter had had more active opposition, there might have been a heavier vote.

This feeling of confidence also made it very difficult to raise sufficient funds to put on an active campaign. Less than $4,000 was spent, which necessarily meant that the campaign was largely a publicity and speaking campaign.

WHERE THE SUPPORT CAME FROM

The support for the new charter came from many sources. Opposing political elements both favored and opposed it. The dominant Democratic faction supported the charter most actively, and carried its wards by an almost unanimous vote. The Republican party, including the mayor and most city officials, supported it, though a considerable element opposed it. The Republican party happens to be in power in city affairs now for the first time in a number of years, and a considerable number of its workers saw in the charter a danger to party control and opposed it on this ground. All newspapers and nearly all civic organizations actively supported the charter.

The opposition to the charter consisted chiefly of a minority faction of the Democratic party and of some Republicans, including those holding city positions and Republican workers who

feared the effect of the charter on their party. There was a little scattered opposition, but none of it was organized.

The opposition arguments were particularly ineffective. It was recognized that the ordinary arguments against the manager plan would not carry much weight with Kansas City voters, so the efforts were centered on finding flaws in the charter drafted. A considerable number were brought up, all of which were conclusively answered. An almost amusing attempt was made to inject the wet and dry issue. Under Missouri laws, the city charter must specify in detail each power the city possesses, or it will be held that it has not the power. Thus, in specifying its power to license businesses, it must specify each line of business. Among the numerous kinds of businesses mentioned in the charter which may be licensed, taxed and regulated were saloons, breweries, etc., on the theory that it was not at all certain that some day the city might not need such power if the constitutions and laws of the state of Missouri and the United States happen to be changed. This was seized upon by the opponents as a weak point for attack. Speeches were made and advertisements carried in the newspapers charging the charter framers with sinister motives and proclaiming that this was a violation of the federal constitution, an opening wedge to the repeal of the Eighteenth Amendment, and other similar statements. Of course, no intelligent citizenship would pay much attention to this type of argument and it had little effect. It serves to show, however, how hard put the opposition was for argument.

The new charter will take effect in April, 1926.

HOW COLORADO SPRINGS CARES FOR THE TREES

BY FRED P. McKOWN
City Forester

Colorado Springs keeps a forestry department busy all year. It watches over private citizens' trees as well as those on city property.

THE forestry department of the city of Colorado Springs began functioning January 1, 1911. While many citizens had seen the need of such a department for some time, it was not until the cottony maple scale had started its ravages that it became apparent to everyone.

SPRAYING IS A SIX MONTHS' JOB

The first year, spraying was begun and the work was contracted to the Western Forestry and Landscape Company, of Denver, as the city did not possess a spraying machine. The city paid for spraying the street trees and the ordinance required the property owners to have the infested trees inside their yards sprayed at their own expense. The spraying of 1911 gave only fair results, due largely to the fact that the spraying machine used did not possess the power to produce the high pressure necessary for good results.

In 1912 the city purchased a horse-

drawn, 200-gallon tank, 300 pounds pressure, sprayer and began doing its own spraying and the spraying for private parties, charging them the actual cost of the work. This work gave very good results, but it was found that more spraying equipment was necessary. By this time our city had passed from the commission form of government to the manager form of government, and we had a council of nine representative business men who served without pay, their only object being the building up and improving of the city. Realizing the need, the manager authorized the purchase of another spraying machine. In 1921 the second machine was purchased. This is motor-drawn, 400-gallon tank, 1,000 pounds pressure machine mounted on a Packard truck. It has been in service constantly since the date of its purchase and has given the utmost satisfaction. After working with spraying equipment which is subject to all kinds of trouble, it is a pleasure to have a machine which will run eight hours a day without being compelled to stop and fix leaks, clogged valves, etc. This machine gave such excellent results and proved its efficiency to such a degree that another sprayer was purchased in 1923 from the same firm. With these two we are now in the midst of our spraying campaign.

Our spraying season begins November 1 and ends about May 15. The cottony maple scale being a sucking mouth part insect, a bodily irritant, and not a poison spray, is required. We use 17 per cent kerosene emulsion, giving the trees two applications during the winter season. Residents of eastern cities, which become blocked with snow and ice, and suffer the frigid blasts of winter, may marvel that we are able to conduct our spraying operations at this time of the year. But in Colorado Springs we are having warm, sunshiny days inviting every one to come out in the great open spaces and enjoy life. It is this wonderful weather which makes our spraying operations possible at the time when the scale is most susceptible to being destroyed.

In addition to the cottony maple scale which infests our soft maples, lindens, box elders, locusts and willows, we also have the European elm scale on our elms in some of our parks, but it is not widely distributed over the city like the cottony maple scale. For the European elm scale we are using Scalecide, and find it gives good results. This spraying is also done in the dormant season, preferably during March or April.

We have cluster lice, curling the leaves of the elms and ashes, but it appears only now and then in certain parts of the city. This we control with the 17 per cent kerosene emulsion spray.

During the past year we had a small outbreak of Tussock moth on our blue spruce trees, but we stopped it in two days before it had a chance to make any progress.

PLANTING AND TRIMMING

The latter part of March, we begin serving notices on property owners to plant trees in front of their properties where there are no trees. We prescribe the variety and size of trees to be planted, and the distance between trees. In this way we get uniformity of variety, size and distance.

About May 15 we begin trimming the street trees. We endeavor to keep them trimmed up above the sidewalk and street so that pedestrians and vehicles may have free passage; also we aim to keep all dead limbs removed and the trees uniformly trimmed. This work adds much to the beautification of our city, and, coupled with the removal of any dead or inferior trees,

keeps us busy until October. Also during the summer season it is necessary for us to water the young trees along the streets, as our natural rainfall is not sufficient for newly planted trees, nor for any trees until they have been established and growing for several years.

In addition to the above general routine of work, the department supervises all work done on street trees by property owners or others. Before planting, trimming, spraying, or removing a street tree, it is necessary to get a written permit from the forester's office. This permit explains in detail how the work shall be done. In trimming it is required that all cuts be made closely so as not to leave stubs, thus enabling the tree to heal its wounds. Permission to "top" trees is not given, and we have put a stop to the practice of beheading trees. When a tree is to be removed the permit requires that the main stump be taken out below the ground line. This supervision enables the forester to keep in touch with all the work being done in the city and makes it hard for the traveling tree doctor to do any work unless he is qualified. This feature, alone, saves our citizens hundreds of dollars, for previous to the establishment of the department, every year witnessed the coming of one or more tree doctors who were much more adept in extricating the dollar from one's pocketbook than in caring for trees. And frequently they collect in advance for their work and then forget to do the work.

We believe our efforts have shown results, for we have had requests from a number of other cities for information regarding our ordinances and methods of procedure.

LOS ANGELES RETURNS TO THE WARD SYSTEM

BY C. A. DYKSTRA
Secretary, Los Angeles City Club

Los Angeles has returned to the system of representation by wards in the city council although old-time experience under it was not happy.

By a recent court decision Los Angeles once more enters the ranks of the ward-governed cities. Since Boston has recently done likewise, an inquiry into what happened in Los Angeles should be of value in answering the question as to whether election-at-large is a correct principle in American cities. Boston led the way fifteen years ago in adopting the at-large election and Los Angeles soon followed in its wake. Now both return to the ward plan. Why?

It may be asserted that so far as Los Angeles is concerned, the board of freeholders which drafted the new charter had no intention of recommending a ward-elected council. In fact it definitely provided for a continuation of the smaller council, elected at large. But in order to satisfy a well-organized group who had for some time been advocating the ward plan and thus eliminate some possible opposition to the newly drawn instrument, an alternative section was added to the charter.

This section provided for a council of fifteen chosen by districts; the "freeholders section" declared for a council of eleven, chosen at large.

ARGUMENTS IN FAVOR OF WARD REPRESENTATION

When the charter was submitted to the voters the ward advocates made a real campaign to get votes for the alternative section. Many were advised to vote only for the alternative proposal and to neglect to vote on the charter itself. It was quite generally assumed that the charter would win by a large vote since there was no opposition to it, and by the same token the "at large" contingent believed that the friends of the ward method would be substantially in the minority. Thus the ward proponents found the electorate quite generally asleep except on the question of the charter itself.

The familiar arguments were used. Outlying districts such as the harbor and the San Fernando Valley were neglected under the at-large plan. Few voters so much as knew by sight any member of the council. The council was arbitrary and would not listen to the humble citizen who wanted to be heard at "the Hall." Many good men had no chance for election because they could not spend the time or the money to canvas the city. Local matters of importance were neglected. The newspapers made councilmen and kept the favored ones before the public by publicity stunts. Thus we had newspaper government. These arguments and many changes rung on them repeated in local improvement organization meetings and passed around by word of mouth were effective.

When the votes were counted it was discovered that more than half of the number of those who had voted on the charter had voted for the section carrying the ward proposal. Consternation resulted in political circles and among the freeholders. The city attorney suggested that the ward plan had won. The council voted that the charter be sent the legislature for approval, *minus the ward section*, and by its own vote declared the election-at-large section a part of the adopted charter. Thereupon the organized proponents of the ward plan brought suit to test the charter in the courts with the result mentioned above—a supreme court decision favoring the ward plan.

The city council is now at work upon the task of dividing the city into wards for the coming spring election. It is of interest to note that the charter carries with it no requirement that councilmen shall reside in the ward which they represent.

HOW DID IT HAPPEN?

The old-time experience of Los Angeles with the ward plan was not happy. Citizens were glad to be rid of it. Nevertheless, ever since it was abolished there has been persistent agitation to bring it back. Amendments looking to its return under the name of "district representation" were from time to time submitted. In 1918 the vote *for* was 24,689; *against* 36,193. In 1922 the vote was 31,737 *for* to 58,182 *against*. In this same year an amendment providing for proportional district representation and the abolition of the primary received 32,263 votes *for* and 59,725 *against*. The vote of 1924 was 88,275 *for* the ward plan and 53,441 *against*. The total vote for the new charter at the same election was 126,058, with 19,287 voting *no*.

Most active in these campaigns for the ward plan have been the harbor and valley districts, some local improvement clubs and union labor. Most potent during this time have been the oft-repeated assertions that two changes in our political situation have removed

the old-time dangers of the ward plan—the abolition of the saloon and woman's suffrage. There has been no proof brought from other ward-governed cities that these two reforms have drawn the fangs of the old plan. But it did make good talking point and many *good* citizens accepted the assertions.

Just what has been responsible for the re-adoption of the ward plan in Los Angeles? Perhaps no one knows. The writer sets down the reasons in the order of their importance, recognizing that it is after all only his opinion:

(1) A general feeling among advocates of election-at-large that the ward plan could not carry. Unquestionably the light vote was due to the fact that there was no opposition to the charter. It would have been possible, no doubt, to have rallied a much larger pro-charter vote. It is quite possible that the ward adherents brought out their full strength.

(2) A real feeling of grievance in some quarters that local complaints were not heard and a belief that ward representation would correct the difficulty.

(3) Some rather hazy opinion that the city is too large for a council chosen on a general ticket.

(4) A vague discontent with the present personnel of the council resulting in some desire for a change of system.

(5) A real confusion in the minds of voters as to how to vote on the charter question. This confusion of mind was shown later also for the district court of appeals ruled against the ward section and the supreme court reversed the decision.

(6) The hangover elements of the "old guard" who never have accepted the election-at-large program.

WHAT WILL HAPPEN

Various predictions as to what will happen to the city are now being made. Many predict a return of the log-rolling, special interest council of the old days. Others declare it is the end of a council run by newspapers. Many of the present council will no doubt seek to represent some ward under the new arrangement and some of them will return. They will have a tradition of serving the whole city to maintain. This will be wholesome even in the new council. Union labor hopes to elect a member or two and the harbor and the valley will be heard from. The rest is guess work. We await the event with interest.

A NEW DAY IN CIVIC CO-OPERATION

BY WILLIAM P. LOVETT
Secretary, Detroit Citizens' League

Do reformers still refuse to pull together? Has the day of the prima donna complex passed? :: :: :: :: :: :: ::

WILLIAM BENNETT MUNRO'S recent book, *Personality in Politics*, turns the light of satire on the individualism of the early municipal "reformers." They simply could not co-operate: each man or group had the one and only civic panacea.

But a new era dawned some time ago; it has been well advauced to a zenith of practical achievement. Many states and cities show what has been done when a variety of civic groups either work together on a project of common interest, or at least agree not to overlap, duplicate, and wrangle over the assignment of full credit for things accomplished.

TO POOL EFFORT AND CREDIT

"Civic alliance" is one fairly good name for this sort of municipal co-operation. It is admitted that the name conveys more of prophecy than of history. But readers of the REVIEW in more than one locality can cite actual achievements in this type of effort, here or there, based on something more than a mere paper program or an organization whose chief function was to monopolize favorable publicity.

Detroit modestly notes, for the first time, that, like Topsy, its new civic alliance "jest growed." It hasn't even been formally named. Though it has only passed its first birthday, it is surprised at itself when it scans the list of achievements procured exclusively for the good of the city, quite without realization, on the part of the achievers, that anything in particular was going on.

The idea was conceived when a half-dozen kindred spirits, directors, secretaries, etc., in the sense of being employees, who also happened to be personal pals, sympathetic with one another's troubles, got together, burned incense to Lady Nicotine, and thought out loud, for the "steenth" time, on the subject of things to be done but nobody doing them. Mark Twain's remark on the weather: "Everybody is talking about it, nobody is doing anything about it," was put alongside the last words of Cecil Rhodes: "So much to do, so little done; good-bye."

We need less talk, more action, in municipal programs. Detroit possibly, in its recent decade of physical expansion, has erred on the side of too brief discussion before action. However, things are being done, and we are too busy to worry over mistakes made in the past. "He who doesn't make mistakes doesn't make anything," said Roosevelt. Our group faced the tasks, agreed they didn't care a flip who undertook them, so long as they were done, and covertly arranged another session, several sessions, with a wider range of representation.

Taxation, expenditures, the city budget—these were the first and principal objectives. Four months of every year Detroit city officials spend in making the budget. It was agreed that citizens, representing heavy taxpayers, ought to be consulted, ought to

show interest, even give advice. Result: sessions with the mayor and council, beginning with suspicion and misunderstanding, but growing into full, mutual confidence, when the "politicians" were convinced that the spirit of the civic group was helpful, constructive, and not that of interference and criticism.

"Governmental Committee of the Board of Commerce" is the term in use, because we meet at the board building, whose secretaries care for details as to meetings, subjects, reports, etc., and the board was willing to sponsor the project. It was not hard to live down the usual local prejudice against any chamber of commerce, because it leaked out early that the "committee" consisted of delegates from 23 organizations, covering about everything of consequence in the business, industrial, and civic areas. It happened that secretaries of the Board of Commerce, Research Bureau, Citizens' League, Manufacturers' Association, and Automobile Club were chief instigators of the program, in which the rest gladly joined.

HOW THE WORK WAS DIVIDED

Beginning with the city budget, the work of city departments was assigned, for investigation, to sub-committees, each of which did a piece of real work—from which the first outstanding result was that of informing the committee what the department was trying to do. Yet several jobs were covered completely, and recommendations were submitted to the city authorities which substantially affected the budget itself. For the easy slogan of "lower taxes," always anticipated when business men talk to the city hall, the committee substituted certain principles: "Units of service to the public come first—are they necessary, can we afford them?" "No salary or wage increases this year, or until we get positions classified and salaries standardized." "First get all the facts, then draw conclusions as to how much money should be spent."

Full co-operation prevailed during the four months' period of making the budget. All sub-committees then settled down to a continuous consideration, in each city department, of the procedure and problems during the year, so as to be better equipped with information when the work began again January 1, 1925. Many new, pressing problems were discovered, requiring long study. The city hall hub radiated spokes of interesting civic investigation, going into all sorts of municipal questions, areas, and strata of the city's life. Sometimes city officials, heads of departments, have asked for advice or aid, sometimes the committee has worked independently, even secretly. Reporters were excluded. Every official has been assured that the research bureau method would be followed: no conclusions, no action, no publicity, without consulting the department head and giving opportunity to correct what is out of plumb without friction.

Our work program of the year 1924 included the city budget, classification of city employees and standardization of salaries, establishment of a new bureau in the municipal court to handle the flood of petty cases involved in traffic violations, and establishment of a budget bureau in the city controller's office. A full dozen of less significant subjects have been well advanced as to study of the problems, even though time has not elapsed sufficient to apply a solution. The first four topics mentioned above may be counted real achievements—NOT of the Governmental Committee alone, in any case, but of the men working in it, and in the city hall. It is impossible to allocate all the "credit"; best of all, nobody is

interested in that phase of the enterprise. In some cases the work has consisted of mere suggestion, in a confidential way, to some other group or to a city official who carried out the idea independently. Only "When the roll is called up yonder" will it be known just who should get the credit, if anybody cares to know.

Respectfully submitted, Mr. Editor, is this all-too-brief summary of a civic program 100 per cent practical, without conscious publicity, promoted quietly and effectively in full co-operation with city officials, winning for the first time a real citizen interest in the city budget, and promising much larger and better fruitage in future. The leaders have not sought to dominate any situation, or to unduly enlarge the membership of the central committee by taking in groups whose interest might be only indirect. It has voted to stay with the Board of Commerce, with the sanction of the directors of the Board. It decided not to incorporate. But it will not forget that action, not oratory, is the sine-qua-non of civic achievement by citizen groups.

CHIEF ELEMENTS OF CONTROVERSY IN PUBLIC UTILITY RATE MAKING

I. DEPRECIATION AS COST OF SERVICE

BY JOHN BAUER
Public Utility Consultant

In a number of articles in the Review I made a survey of the practice and besetting difficulties of rate making and outlined a course which would convert rate making practically into an automatic process and would render the other purposes of regulation more effective.[1]

Recent developments have brought to the forefront two chief elements of controversy in rate making: depreciation, and actual cost *vs.* reproduction cost in the determination of "fair value" or the rate base. The first affects not only the valuation of the properties, but also the direct cost of service on which rates are based, and raises the question of safeguarding properly the investment in the properties. The second centers around the problem of treating the investors equitably in the face of the great increases in prices since the beginning of the war.

Because these elements are the foundation of the numerous rate cases, I shall attempt to present them in a comprehensive way, devoting a short article to each important phase of the subject. In the present article, I shall treat depreciation as a part of the cost of service. Later I shall discuss depreciation as a factor in valuation, and shall outline the practice of large industrial corporations. A final article will be devoted to valuation on the basis of actual or reproduction cost of the properties in the face of the changing price level.

[1] A comprehensive study covering the entire subject of regulation has been prepared and will shortly be published by the Macmillan Company under the title "Effective Regulation of Public Utilities."

COST OF SERVICE AS THE MEASURE OF REASONABLE RATES

At the outset, let us state that for the most part *the cost of service* is the proper and the generally recognized measure of reasonable rates. This corresponds to common sense requirements of dealing fairly with the consumers and the companies. While it has not been definitely set forth by the public utility statutes as the direct basis of rates, it follows the sensible course of fair treatment, it has been followed as a practical matter by the commissions in actual rate making, and has been tacitly approved by the courts.

The total cost of service includes three elements: (1) operating expenses, (2) taxes, and (3) return on investment. As to the first two categories, we may say outright that cost has been practically recognized by the commissions and courts as the basis of rates. There may be questions as to whether the costs are reasonable or whether the charges to the accounts have been properly made, but otherwise the actual costs to the companies furnish the foundation for rates. As to the third item, however, return on investment, cost has not been explicitly recognized, and here we have the chief debating ground in public utility litigation and discussion. This centers around valuation and return, and involves both the deduction for depreciation and the question whether inventories should be priced in the first instance according to actual cost or reproduction cost.

DEPRECIATION AS OPERATING EXPENSE

In this article we shall be concerned with the inclusion of proper charges to operating expenses for depreciation or the renewal of plant and equipment. Operating expenses as such include the actual cost of all labor and materials used in furnishing service for a given period. They include also the cost of repairs and the full maintenance of the properties employed in the service. As a part of such full maintenance there must be adequate provision for renewing all worn-out or obsolete units of plant and equipment no longer suitable for operation.

Our problem concerns the last mentioned item: the inclusion in operating expenses for the renewal of plant and equipment. Assuming that it is the actual cost of making adequate renewals that should be included in operating expenses as a basis of rates, the question is just how should the actual cost be determined? Should it be an *estimated depreciation* charge, or the so-called actual cost of replacing units of property as they become unsuitable for operation? Shall we follow the depreciation or the renewal method?

The question is one of fundamental cost accounting and is here answered accordingly. We believe that the depreciation system furnishes the correct basis of cost determination. It regards the original capital cost of a unit of property as merely a deferred operating charge to be included in the cost of service as the economic life of the property is consumed in operation. The original capital cost is gradually transferred or allocated to operating expenses and is included in the cost of service to be reimbursed to the company through the rates paid by the consumers. The latter thus pay not only for all labor and materials entering into the service, but also a proportionate part of the plant and equipment costs properly allocated to the particular period of operation.

The amount charged to operating expenses each year for depreciation may be variously computed, but in general may be best determined according to the so-called straight line method. The original cost is charged to operat-

ing expenses on the basis of equal annual installments during the expected life of the unit of property. Roughly this corresponds to the relative annual use obtained, and distributes the cost equally over the total service furnished by the unit during its entire life. Through this procedure, the company is gradually reimbursed as the service is paid for, and during the life of the property collects enough from the consumers to renew the unit when it is no longer fit for operation.

The charge for depreciation is based upon life estimates which include all causes of property retirements and renewals. The expected economic life is the number of years that a unit may be profitably used for operation, after which it is more efficiently superseded by a new one. The cause of the abandonment may be ordinary wear, inadequacy, obsolescence, shift in demand for service, or other unsuitability for operation.

ILLUSTRATION OF A SINGLE UNIT

The force of the depreciation charge may be best illustrated by an important item of equipment: a 30,000 k. w. turbo-generator installed by an electric company at a cost of $360,000 with an expected life of twenty years. Assuming that the estimated life is correct and that the equipment is used equally during the entire period, the annual depreciation charges would be the original cost of $360,000 divided by twenty, or $18,000 a year. If this amount is included in the cost of service each year and is paid by the consumers, the company will be reimbursed for the full original cost when the unit is retired after twenty years. In this way, the investment is systematically maintained and the company is able to make the replacement when needed. Each year's service bears its full pro-rata share of the renewal cost. The full original $360,000 is gradually apportioned to operating expenses and included in the cost of the service.

The accounting procedure is somewhat technical, but nevertheless simple and clear. At the time of purchase, the $360,000 is charged to the property or capital account. Then each year $18,000 is charged to operating expenses and credited to the depreciation reserve. The charge to operating expenses increases the indicated cost of operation and reduces the showing of net return by $18,000, so that this amount of the revenues is automatically locked up in the business and serves as the direct or immediate renewal of the part of the equipment consumed in the year's operation. In the same way each succeeding year $18,000 is included in operating expenses and added to the depreciation reserve, with the retention of a corresponding sum in the business to make good the year's depreciation. At the end of twenty years the full $360,000 has been included in the operating expenses, the reserve is then equal to the original cost and the company has accumulated $360,000 in cash for a new unit. The old is then retired and the cost cancelled against the reserve, while the cost of the new is again charged to the capital account for another cycle of depreciation accounting.

THE SAME PRINCIPLE FOR MANY UNITS

The opponents to the depreciation system readily agree that for a single large unit of equipment, the depreciation system is correct and the renewal method inapplicable. If there were only the one piece of equipment, the entire cost of renewal at the end of twenty years could not be charged at once to operating expenses and then paid by the consumers.

They stress the point, however, that

a public utility property is not a single unit, but consists of many varied units, which will not need to be replaced at the same time but will equalize themselves from year to year and will cause approximately equal annual charges for actual renewals. From this view of the facts, they conclude that the property as a whole is a *continous thing* and is adequately and properly maintained if the renewals are made as required in the course of operation and if the actual cost of the renewals as incurred is charged to operating expenses.

Our reply is that if the depreciation system furnishes the correct method of cost allocation for a single large unit, it cannot be wrong if likewise applied to hundreds or thousands of individual units of different kinds of plant and equipment. It applies to ten generators as well as to one; to stokers and boilers; to transformers and rotary converters; to all kinds of power plant and substation equipment; to all parts of the transmission and distribution systems. If systematically followed, it comprehends every unit of property and apportions the original installation cost to operating expenses during its life, with full provision for renewal at the time of retirement.

If this principle is properly carried out, is not the cost of service correctly computed, and is not the renewal of the property systematically safeguarded? Where does the principle go wrong in passing from the consideration of a single unit to the multitudinous units of a large and varied property?

The renewal method is obviously wrong when applied to any single unit of plant and equipment. It is equally wrong when applied to numerous units of various classes of plant and equipment. For every item in the multitude it defers the full charge to the time of renewal instead of apportioning the original cost equally over the lifetime and distributing it over the entire service. It disregards the fundamental fact that every unit is consumed in operation and that its original cost, therefore, is spread equally over the entire period of operation.

THE PROPERTY AS A WHOLE

The proponents of the renewal idea rather etheralize the conception of "the property" as a whole. They look at it as an entity of itself, over and above the constituent parts, just as man is more than arm, legs, body, head, etc. But even following such an exalted view, we must realize that even "man" must be renewed as he lives, taking food, water, air, etc., regularly or almost constantly, with no regard to the specific loss of a leg or arm, or even the breakdown of tissues or cells. The constant intake of body-making materials is exactly equivalent to full maintenance including depreciation charges, and if it is not sufficient to make up the full depreciation there is bodily deterioration even if the "man" as such continues to exist.

But such a transcendental concept applied to utility properties is hardly justified. We are dealing with plain material things, definite costs, and concrete operations. The property as a whole is only a group of constituent units and the costs are determined accordingly. Each additional unit requires and adds its own capital outlay, and except in case of land each depreciates individually in the course of operation, and it is this fact that is provided for systematically through the depreciation charges. As depreciation takes place it constitutes immediately and directly a cost of operation and forms a part of the cost of service. If there are a thousand units, the force works separately on each unit, and every one contributes its individual

part to the current depreciation chargeable to operation.

DELAYED RENEWALS

The renewal theory is wrong as applied to each unit of property and does not become right when applied to all the units collectively even if regarded in transcendental terms.

Here is its fundamental defect: the cost is not counted as actually incurred, but is delayed to the time when the units have completely disappeared through operation. Looking at the property, therefore, at any given point of time, we see that the past cost of operation has been understated to the extent of the expired service life of the various component parts. As to some items, 90 per cent of the original cost should have been included in past operation; as to others 80 per cent; others 50 per cent; some only 5 per cent. On the average the understatement may be equal to 30 per cent or 40 per cent of the total original cost of the properties.

The amount of the aggregate understatement is equal to the depreciation reserve shown under a systematic depreciation policy. This is the measure of the amount of the delayed operating charges under the renewal policy, and shows the degree of impairment of the investment. Costs actually incurred have not been included in the stated cost of service and have not been made good through charges to operating expenses.

DEPRECIATION RESERVE

The depreciation reserve, if properly maintained, simply shows at any point of time the extent that the capital costs of existing property then in service have been included in the past cost of service. It is a statistical measure, and nothing more; it has nothing to do with actual cash or other funds which were locked within the business through the depreciation charges. It is these funds as they were retained through the depreciation charges, which constituted the real capital renewals.

The relation of property or capital costs to the depreciation charges and reserve is very simple. With the exception of land, practically every unit of property installed sooner or later becomes unsuitable for operation. At the time of purchase the full cost is charged to the property or capital account, and then in the course of operation is allocated to the cost of service, and at any time the extent of such allocation is shown in the depreciation reserve. Taking the entire property in use at any one time, we have the full original cost shown by the property accounts, and the amount allocated to past operation shown by the depreciation reserve. The difference between the full original cost and the reserve constitutes the net remaining investment in the properties applicable to future cost of operation.

We have here the technical machinery for scientific cost determination: to keep adequate cost records for the properties, to show correctly the cost of service, and to maintain the relation of all such past costs to the total original cost of the property still in operation.

As a matter of scientific cost accounting, the depreciation system is clearly correct and the renewal policy wrong. The only justification that may be advanced for the latter might be operating expediency. But, we do not see any practical difficulty in pursuing the depreciation policy. To be sure, estimates must be made, but they require merely intimate acquaintance with the properties and they may be revised with experience.

There is no valid financial, operating or other technical reason why the depreciation system should not be employed by all public service corpora-

tions. It furnishes the only sound basis for computing cost for the purpose of rate making. There can be no equitable objections either on the part of the companies or the consumers, provided that it is properly safeguarded by the rate-making principles and machinery.

GOVERNOR PINCHOT AND THE MERIT SYSTEM

BY H. W. DODDS

In appraising the Pinchot employment system, it is necessary to remember that it is solely the creature of the executive, reared in the face of active and profane opposition from those in control of the machinery of his party, without express authority in law and with no crystallized popular sentiment at his back. :: :: :: ::

To the old school politician, the merit system is still anathema. It gums the works and is grudgingly accepted only when public opinion, following some particularly noisome debauch of spoils, arises in the full power of its might. Even then the case is not hopeless, for it is yet possible to construct a civil service commission which can be manipulated; or by denying proper financial support to an honorable commission, to restrict its effectiveness in accordance with a studied policy of undernourishment.

Most everyone will admit that those in control of the dominant political party in Pennsylvania are old school politicians. Civil service reform in state government has never become a popular issue. The Pennsylvania legislature has always shared in administrative patronage, and they have never seen any good reason why they should kill a goose which lays such golden eggs.

NO CIVIL SERVICE LAW

What has been accomplished in effective personnel management under the administration of Governor Pinchot has been done with little or no specific legislative authority. The majority of the legislature were "organization" men, who opposed Mr. Pinchot's nomination in the primary, who will breathe easier when he retires from office, and who had no intention of authorizing any civil service scheme which would hinder a joyous return to the raw spoils system when the year 1927 rolls around. Therefore, the governor, although he would have preferred a thoroughgoing system, incorporated in law along the lines of the Maryland plan, did not ask the legislature to establish a civil service commission or to put the state employees on the merit basis. All he asked was that the legislature pass an administrative code placing directly under his control all state agencies which could constitutionally be brought there and authorizing the classification of positions and the standardization of salaries.

The reclassification work was placed under a newly created executive board, but this board was given no appropriation nor were any funds granted for civil service routine. Had the governor asked for more, had he waved the

terrible spectre of the merit system before the hostile, bewildered and exceedingly nervous machine, even a small measure of legal authority would doubtless have been denied. The legislature may therefore be pardoned if they feel that something has been sprung on them. Nevertheless, we may spare our tears, for it is a game which they understand through years of practising it on each other.

In appraising the Pinchot civil service system, it is therefore necessary to remember that it is in effect the creature of the executive, reared in the face of active and profane opposition by those in control of his own party machine and without any crystallized public sentiment at his back.

The Pinchot system departs from the conventional set-up which many deem necessary if the spoils system is to be banished and merit is to become the basis of public service. There is no independent civil service commission acting as a check upon the governor and the executive departments. A personnel division, however, has been established under Dr. Clyde L. King, the secretary of the commonwealth, an appointee of the governor, who is also the budget officer. The personnel director immediately in charge under him is known legally as the director of accounts and is a deputy-secretary of the commonwealth. The personnel policy is therefore what the governor wants it to be, and he accepts cheerfully and eagerly full responsibility for it. Mr. Pinchot is an intelligent advocate of centralized executive responsibility; he believes that personnel management is as clearly an executive responsibility as purchasing supplies. If it is assigned to a separate compartment, if it is not part and parcel of the administration, control becomes diffused and efficient operation of state activities cannot be secured because the department heads cannot be made to accept individual responsibility and act on it.

THE PERSONNEL DIVISION ONE OF A SERIES OF REFORMS

To Governor Pinchot employment management is a service which the departmental heads need if they are to succeed and if the administration as a whole is to operate as a smooth, well-balanced machine. In this respect it is similar to centralized purchasing or the budget system. But it must not be set up in such a manner as to furnish departmental heads excuses for poor results. The governor has surrounded himself with some excellent administrators, to whom broad powers have been delegated but from whom complete responsibility for results is demanded. It is important to understand the degree to which the governor enforces this personal responsibility if one is to understand the lines along which his employment policies proceed.

His employment management scheme is but one of a series of innovations, all of which were designed to the same end. These reforms were embodied in the Administrative Code which consolidated more than 100 boards, bureaus and commissions into an orderly arrangement of fifteen departments under the governor, three independent boards and commissions, and three elective constitutional officials which the code could not change. In comparison with many states, Pennsylvania has a short ballot with a large measure of legal power vested in the governor. But there had grown up a system under which the governor had surrendered a great deal of this power, and in various departments the heads and bureau chiefs were reporting, not to the governor, and sometimes not even to their department heads, but to some outside politician to whom polit-

ical fealty was due. In fact, sometimes the subordinate elective officers (auditor-general, treasurer, and secretary of internal affairs) controlled patronage outside their own departments and within the departments under the legal charge of the governor. The Administrative Code was necessary to simplify the administrative organization, but it was also necessary to get back into the possession of the governor the power which the law grants him. Needless to say, the latter was not accomplished by the mere passage of a new law.

HOW THE PERSONNEL ORGANIZATION FITS IN

In the code, related functions were grouped under single departments and the administrative board was given power to approve reorganizations within the departments themselves. The principle followed in reorganizing the departments was the placing of full responsibility clearly on each head. A department of property and supplies was created as a centralized purchasing agency. The budget system was adopted, and to secure greater flexibility, appropriations were made in lump sums which were expended in accordance with previously made plans. Each department reports monthly to the governor, through the state budget officer, plans for expenditures for the next month. Financial control plus the necessity of constant planning in advance is thus secured.

The manner in which the personnel management fits in is now apparent. The governor through his personnel agent keeps control of employment policies. Each department receives the assistance of the personnel agent, and each head is allowed all the scope in hiring assistance consonant with what the governor conceives the good of all departments to be.

In other words, the governor requires that the classification and salary standardization be maintained, that no one be employed who does not, in the opinion of the personnel division, possess the necessary qualifications, and that the rules fixed by the personnel division be observed. Within these limits each department head exercises his own judgment in employment matters.

POSITIONS ARE CLASSIFIED

The first big job in personnel was the classification of all positions. The classification of all employees of the central departments (exclusive of the three departments with elective heads) including the field employees was put into force October 1, 1923.

It provides for seventy-seven standard positions with from three to six salary grades for each position. General qualifications are provided for all employees and special qualifications are set for each class. The legal force of the classification grows out of its approval by the executive board. It is the duty of the personnel division to keep the classification current, and to this end it has been necessary to resurvey one bureau only.

The net increase in payroll growing out of classification amounted to $90,000 per annum. The total increases were $140,000 and total decreases $50,000. Employees who had been receiving more than the maximum allowed their class by the new arrangement were reduced to the maximum. This accounts for the decreases to the amount of $50,000. Less than six persons so reduced resigned from the service on that account.

The increases went for the most part to underpaid women on the principle of equal pay for equal work. Decreases were suffered mostly by overpaid men politicians. Even before the

classification there had been a 15 per cent reduction in payrolls of the central departments due to a reduction in the number of jobs. Such reduction was made necessary by the reduced operating budgets allowed each department as a part of the economy program by which during the first biennium an inherited floating indebtedness of $30,000,000 was absorbed, by means of savings in the operating departments, without increasing taxes to meet the deficit.

THE ROUTINE FOLLOWED IN FILLING VACANCIES

Vacancies in the classified service are first reported to the personnel officer, who certifies the name of an eligible person to the department head. The latter may submit names if he desires, but it has become the practice to rely upon the personnel division for stenographic and clerical help. In case of positions above these two grades, the personnel division examines the qualifications of the persons nominated by the department head and if they are satisfactory approves their selection. If the department head makes no recommendation the personnel division must hunt up a qualified person. If the department head recommends a person without proper qualifications he is given another chance to make a selection, or the selection is made by the personnel division. In accordance with the policy of imposing full responsibility upon the departmental executive, the heads are given wide discretion in choosing subordinates, subject to the duty of satisfying the personnel manager that the prospective appointee has the minimum qualifications and that he is assigned to the proper salary grade within his class.

After an appointment has been approved by the personnel manager and by the department head it goes to the governor, or in routine cases to the governor's secretary. If approved the appointment goes through.

It thus appears that the governor, or his secretary, has his hand in every appointment small or great. It is also true that every person before appointment makes a specific promise to support loyally the "policies of this Administration." Now obviously there is here introduced a new element in addition to a man's qualification for a specific task framed in the abstract. The candidate undergoes an investigation respecting qualifications which no formal, general test will reveal. Can it be justified? Does its propriety depend upon how it is used?

Governor Pinchot believes that loyalty is a proper test to be applied after the candidate has passed the others. He has gone the limit in accepting complete responsibility for his administration, and he wants the power to prevent it from being sapped from within. He will tolerate no political work against him, but states that he demands no positive political services from the employees. And he wants the new employees to be people who will enjoy working with him. In one matter he is emphatic. He has taken a strong stand on prohibition enforcement; he doesn't want to offend his supporters by appointing a bootlegger or the son of a bootlegger to office. He wants to keep his administration respectable and he retains final decision as to the moral qualifications of candidates for state positions. Of course the office of governor is a political office as well as an executive office, and a "political" disqualification if serious may become a "moral" disqualification in the mind of the executive. Mr. Pinchot knows this and admits that his whole plan of personnel management is just what the executive makes it. But if there is machine control of the executive, he

believes, there will be machine control of any civil service commission which can be devised. There is danger, he says, of so restraining the governor from going wrong that he can't go right. He believes that employment management should be driven into the open, which means that it must be placed under the executive. If it is in the open, the people can correct it; if it is under cover, they cannot. As a writer of the Federalist has it, "Executive power is more easily confined when it is one."

A RECENT INCIDENT

I think, however, that it must be admitted that recent action by Governor Pinchot in connection with the speakership fight in the present legislature gave the disinterested friends of the merit system some grounds for alarm, and demonstrated the weakness of the present arrangement in Pennsylvania. The candidate for speaker being supported by Mr. Pinchot was bitterly opposed by organization Republicans from all parts of the state. When the fight was at its hottest, the governor discharged approximately a dozen state officers and employees and threatened others with dismissal in an effort to swing their political patrons into line behind the candidate. Doubtless those employees were politically active; probably they were also inefficient. But Pennsylvania has never committed herself to civil service reform. Efficient employees who do not mix in politics have no assurance that they will be continued in office under a new administration, when a return to the spoils system seems inevitable, unless they are politically acceptable to the people then in power. As a result, there must be a considerable number of state employees who expect to lose their jobs about January 1, 1927, unless they play the game as it has generally been played in Pennsylvania.

A weakness of the Pennsylvania arrangement, therefore, is that no legal institutions have been set up upon which the efficient, non-political civil servant can rely for continued employment in the next administration. Undoubtedly there is a certain advantage in having the civil service system embodied in law. Years of sound practice which established strong precedents are better, but Pennsylvania has neither. Yet no one can blame Mr. Pinchot for this.

Nevertheless, in the speakership fight he used his appointing power to aid his legislative program. Many high-minded executives, state and national, have done the same thing, explaining that the end justifies the means. But in so doing they have delayed the day in which positions in the public service will offer a career, the rewards of which will be rewards for merit. Mixing up the administrative service with legislative or political programs, no matter how desirable they may be in themselves, is what the merit system was created to abolish.

EXAMINATIONS AND PROMOTIONS

The personnel division has not been able to organize group examinations for entrance. Applicants must furnish a complete record of their past training and experience, and when they come up from consideration the division gets in touch with past employers and goes over their records as any well-run business would do. Applicants for positions as typists or stenographers are given practical tests. For these classes Harrisburg is the chief source of supply and the division keeps in close touch with the local high schools. Only pupils who have finished in the upper ranks are accepted,

and then only after their family history is found to be satisfactory. For the lower ranks there is a three-months probation term. As related above, a department requiring this type of service simply requisitions as many clerks or stenographers as it needs, and they are supplied from the eligible lists. Examinations for mine inspectors, game wardens, state troopers and certain factory inspectors are given by individual departments. For the higher positions, especially for the technical and vocational classes, the department may dig up its own applicant, upon whom the personnel division passes to ascertain whether he has the qualifications and to determine at what salary he shall begin.

No appointment is ever made in the classified service without the approval of the personnel division.

Salary increases are considered in June and January for employees at Harrisburg; and in April and September for field employees. The rule enforced by the governor is that all positions be filled by promotion if possible. Promotions are made on the recommendation of the department heads with the approval of the personnel division, which studies each case to see that the classification is being preserved. The departments keep no formal efficiency ratings, although the highway department keeps some records of personal productivity. Pennsylvania has been building roads at rapid rate, and the employment problems of the highway department have been so great that a special personnel section, which works under the central personnel director, has been established in this department. As indicated above, department heads show zeal in promoting employees, and the personnel authority has had to act more as a brake than as an incentive to promotion. The fact that 1,200 employees have been promoted to higher classes for merit without regard to their political affiliations and many others have had increases in pay within their class is an evidence of Mr. Pinchot's regard for the merit principle.

Training classes, conducted by the personnel division, have been established in typewriting, stenography, accounting, business correspondence, and English.

COMPLAINTS AND DISMISSALS

An effective agency for maintaining morale has been the complaint bureau. Anyone who feels that he has been treated unjustly can complain to the personnel division. Women employees make their complaints to a particularly gifted young lady with several years of experience in handling complaints. Men complain to the personnel director. Complaints are sympathetically received and investigated. Where it is felt that injustice is being done, the matter is taken up with the department authorities and adjusted. If the complaint is not well founded the employee is so advised, and in the explanation which attends much of the soreness is ironed out. Handling complaints is a delicate matter and can be successfully accomplished only when the working relations between the departments and the personnel agency are of the best.

Removals are initiated by the department heads, but, like all other personnel changes, must go to the personnel director for approval. The governor follows the recommendation of the personnel division.

A pension system has been established, which those entering the service after January 1, 1925, are compelled to join, but which is optional for those who entered prior to that date. It is supported by equal contributions of the employees and the state.

The reports, statistical tables and charts prepared by the personnel director represent a service which is new in Pennsylvania and is still lacking in many states. They have been very useful to both the governor and department heads in the determination of employment policy.

CONCLUSION

I have some knowledge of the *esprit de corps* of the state labor force in previous administrations in Pennsylvania. Unquestionably it has improved. Fewer people are doing more work and they are happy in doing it. Relief from pressure over appointments, with attendant embarrassment, which has released the governor's energy for the real work of his office is not the least of the benefits gained. Certainly it is more pleasant to work under conditions which aim at justice and rewards for merit than under the inequalities of the political feudalism which prevailed before, and, unfortunately, may prevail again.

It yet remains to be seen how much of the Pinchot civil service system will survive. It will have gained some momentum by 1927 in spite of the fact that it is not recognized in law, and an alert citizenry can secure its continuance and improvement in future administrations.

It ought to be possible to institutionalize the merit system so that it will be accepted as the normal thing, much as the spoils system was accepted before the dawn of civil service reform. Whether Pennsylvania is ready to do it is a dog of another color.

THE CASE FOR MECHANICAL BALLOTING

BY T. DAVID ZUKERMAN

Director, Political Research Bureau of the Republican County Committee of New York

How the Voting Machine Eliminates Fraud and Reduces the Cost of Elections. :: :: :: :: :: :: :: :: ::

THE voting machine as a device for registering political opinion at the polls has had far less attention than it deserves. Although its use has been increasing, the growth has been much slower than warranted, in view of the obvious merits of the machine which become apparent even upon cursory examination. In only too many instances has the matter of its introduction or continued use been complicated by questions only remotely connected with its qualifications for eradicating the evils and wastes of elections held with paper ballots.

CHICAGO AND NEW YORK

The example set by the antagonism of our two largest cities, New York and Chicago, to the enforced introduction of voting machines cannot but have profound influence in retarding their progress. In the latter city the voters declared themselves in favor of the adoption of the machines by the overwhelming majority of 8½ to 1 as long ago as 1904. There was some difficulty in finding a machine to fit the needs occasioned by a system of cumulative voting in Illinois. Evidently the

models submitted were not of as improved a type as are now to be had. It was not, however, on the virtues and defects of the mechanical device that the fight raged; these questions were submerged in the storm that broke over the tactics of the board of election commissioners in the letting of a contract for the purchase of 1,200 machines. It was the scandal of the alleged use of large sums of money by the company's agent to secure that contract that defeated the cause of voting machines in Chicago and in Illinois and "destroyed any likelihood that the subject will be revived for a long time, if ever." The reverberations of that scandal, in the form of a legislative investigation and litigation to compel the city to accept and pay for the machines lasted until 1920.

Legislation to compel the adoption of voting machines in New York City was passed in 1921 and 1922, which made the machines mandatory in first-class cities and provided for gradual installation during a three-year period, in order that equipment might be completed in time for the presidential election held last fall. Owing to the opposition of the local Democratic administration, authority for action passed into the hands of the secretary of state, at that time John J. Lyons, a Republican. Although the law authorized him to purchase the machines on behalf of the city, the manufacturers whose model he had chosen refused to make a contract. They did not wish to enter into the long litigation threatened by Mayor Hylan, Comptroller Craig, and the other members of the board of estimate, with consequent delay of payment for their product. With the passing of control of the senate into the hands of the Democrats in 1923, no further efforts were made to force the issue by legislative action. Neither did the Democratic secretary of state attempt to enforce the law, which thus remained a dead letter on the books. Now, however, that both houses of the legislature are controlled by the Republicans, it is expected that the law will be amended and strengthened to give whatever additional powers may be necessary to enable Mrs. Knapp, the new secretary of state, to proceed with installation of the machines. Attorney-General Ottinger has already indicated that the full power of his office would be used to back up her efforts, having informed the Board of Elections that he would insist on full compliance with the law.[1]

The most charitable explanation that can be found for the opposition of the local administration to the machines is their oft-repeated objection to state legislation imposing "mandatory expenses" upon the city, as well as their natural modesty, which takes the form of violent opposition to any suggestion for improvement which comes from any source other than themselves.

[1] Since this was written there was introduced in both branches of the state legislature a bill which authorizes the secretary of state to purchase and install voting machines in all cities with a population of more than 175,000 in which they have not been adopted, purchased, or delivered prior to May 1, 1925. This would make the measure apply not only to New York, but to Rochester, Syracuse and Buffalo. However the latter cities already use voting machines.

To prevent the local administration from obstructing the enforcement of this law as it did the earlier measures of the same character, the state comptroller is authorized to pay for the machines if the city fails to make an appropriation for that purpose. The money thus expended is to be deducted from the city's share of the state taxes.

It is certain that this bill will pass the legislature although there is some question whether the governor will approve it.

NEW YORK STATE THE PIONEER IN THE USE OF VOTING MACHINES

Almost a third of a century has gone by since there was incorporated in the election law of New York state the first provision ever placed on the statute books permitting the use of mechanical means for casting and counting ballots. That same year, 1892, saw the first practical trial of the machines at an election in Lockport, followed two years later by another in the town of Cazenovia. A similar experiment by Rochester in 1896 led to a contest for the congressional seat that forced the subject to the attention of congress, which legalized their use for the election of its members.

It was not until 1898, however, that Rochester formally adopted machines as the exclusive method of voting. The example thus set was followed by Buffalo and three other cities in the state the next year. Cities, towns and villages followed each other in rapid succession, until at present 60 per cent of the electors outside New York City record their choice of candidates for office by machine. In Monroe county their use is universal, and in several others, including Westchester, Albany, Nassau, Rennselaer, Niagara and Steuben, almost so. While several cities have at one time or another suspended their use for longer or shorter periods, often for reasons beyond their control, Elmira, which had "abolished them owing to the expense of refitting them to comply with the present election law," has alone failed to reinstall them. Of the sixty cities in the state only seven have lagged behind, including New York City.

VOTING MACHINES LEGAL IN MANY STATES

Although it may appear surprising, in no other country but the United States is there any evidence of machines being used or even allowed in elections. All told half of the states have adopted legislation permitting the use of voting machines, requiring in some instances amendments to their constitutions. In Ohio the law was declared void by the courts, which construed the meaning of "ballot" as found in the state constitution to mean "written paper." In Illinois, Minnesota, Michigan, New Jersey, Rhode Island, Iowa and Montana, the interpretation of the same word by the courts was in favor of the machines. Nevertheless, two of these states and four others have for various reasons repealed the laws, often after years of satisfactory and, indeed, enthusiastic use. In the case of California the repeal was only temporary, for an amended law was re-enacted in 1923, only two years later.

Legal authorization has not necessarily meant the scrapping of the old methods. In at least five of the states where voting machines are permitted they have not as yet been introduced. In others they are not used extensively or have been discarded because of the tactics of opponents, or of those who desired to take advantage of their use for partisan or selfish ends. In Minnesota, for example, machines had been adopted by Minneapolis in 1908. So far as is known there were no complaints as to their accuracy or otherwise. In 1912 and 1913, however, provisions added to the election laws required the printing of sufficient ballots for at least half of the electors, to be given to those who expressed a desire to vote by that method or who appeared to vote when the machines happened to be in use. The mixed system led to additional expense and caused such confusion as necessarily to lead to the abandonment of the machines. In Wisconsin, where machines had been introduced as early as 1902

and where a dozen of the largest cities containing a third of the population were enthusiastically using them by 1915, legislation compelling the use of paper ballots on county questions likewise led to their being discontinued in 1920. In 1903 New Jersey began gradually installing them at the expense of the state. At first they were received with great enthusiasm, the various communities displaying considerable rivalry in their attempts to attract attention to their own needs. Introduction on a piecemeal basis, however, required the use of two methods of voting in the same locality. This did not work very well. The belief spread that the matter was being handled in a manner calculated to give partisan advantage, and petitions poured in protesting against them until they were abolished in 1911.

EXTENSIVE USE PROVES THEM SATISFACTORY

In some states voting machines are used to a very considerable extent. In Connecticut, every city of importance with the exception of Ansonia and New London, and many large towns, are supplied—in other words practically two-thirds of the voters use mechanical methods. In the state of Washington machines are used very generally in the populous Puget Sound group of counties, including the cities of Seattle and Tacoma, and affecting about half the voters. In Indiana 20 of the 92 counties, containing in all 45 per cent of the population, use them. Machines are mandatory by law in eight or nine of these having a population of 36,000 and over. Thus the largest cities have been using voting machines for years. Many cities of Michigan have adopted them, including Grand Rapids, and their use is spreading quite rapidly in that state. True, Detroit came to the questionable conclusion, after an investigation, that the machines offered no advantage other than a more rapid canvass—and this would not be sufficient compensation for the required expenditure of $750,000 for equipment. Nevertheless, according to Russell F. Griffen, secretary of the Grand Rapids Citizens' League, it is predicted that voting machines will be used universally throughout the state within a few years. In Iowa, 27 of the 99 counties, including the cities of Burlington, Des Moines and Davenport, have been equipped for years. Silver Bow, of which Butte is the county seat, is the only county in Montana to have adopted them. San Francisco, whose original equipment was partly destroyed in the earthquake and fire of 1906, again adopted the machines in 1923, immediately upon re-enactment of permissive legislation, and is gradually equipping the entire city.

Voting by machine is thus sufficiently widespread to make fairly simple an appraisal of its possibilities. A device that has been in use in numerous communities for continuous periods of 20 to 25 years can no longer be considered an experiment. It must have definite advantages to offset the necessary outlays of considerable sums of money for equipment. Every survey has evoked a practically unanimous chorus of enthusiastic praise showing the intense satisfaction of officials and voters alike. For example, H. A. Nichols, commissioner of elections of Monroe county, New York, since 1908, and before that a deputy in the office of the county clerk since 1898, and thus in a position to have observed voting machines continuously since their introduction into Rochester, has stated that in his opinion "there is no good argument against the voting machine. I honestly believe that they are the best method of voting yet devised. . . . The ma-

chine is honest, accurate, economical and efficient and no municipality will regret adopting them as a method of voting."

The voting machine may be considered a political adding machine or cash register. It supplies the mechanical accuracy, reliability and efficiency which we ordinarily expect and secure from its prototypes in commerce. It furnishes a rapid method of voting as well as of tabulating the ballots cast, at material savings in cost over the paper ballot method. To a large extent, likewise, it provides a remedy against dishonesty as well as the errors which are due to fatigue and the human frailties and weaknesses which have made generally advisable the substitution of machines to guard against the failure of "the human element."

CHANGED CHARACTER OF ELECTION FRAUDS REQUIRE MODERN METHODS OF PREVENTION

Fraud has not been eliminated from our elections, as the irregularities cited in our newspapers annually bear witness. Dishonest methods at the polls have changed, however. We hear comparatively little about colonization, repeating, or other forms of illegal voting. Instead there are charges and counter charges of fraudulent counts, of defaced, mutilated and substituted ballots, or the total disappearance of ballot boxes and their contents. To engage one man to alter a hundred ballots is much cheaper than hiring one hundred men to cast them, and indeed, much less dangerous. Accordingly, election frauds are now committed chiefly in making out the returns, recording false counts and certifying false returns.

The charges made before the congressional committee investigating the Chandler-Bloom contest after the special election held on January 30, 1923, in the nineteenth congressional district may be cited as an example. The findings of the committee as given in the majority report were to the effect that some districts had been so tainted with fraud that the truth was not deducible, and the entire returns should have been rejected. Even the minority report admitted fraud, contenting itself with an insistence that there was no proof that it had been perpetrated by the contestee. In the Ansorge-Weller contest errors in marking and counting the ballots, whether intentional or otherwise, were also shown.

The voting machine reduces fraud to a minimum just as the cash register prevents dishonesty. By his own action in leaving the machine each elector registers one vote and one vote only for each of the candidates of his choice on hidden counters locked from sight until the polls close. The process is even more simple than marking with a pencil an unwieldy paper ballot that must be manipulated on the narrow shelf of a voting booth. All the candidates are displayed on the face of the machine standing upright in front of him. The pull of a lever or turn of a knob indicates the choice. Errors are readily seen and easily corrected. The operation is so speedy that one machine easily accommodates more voters than half a dozen booths. The law, recognizing this fact, generally permits election districts to contain many more voters when machines are used than with paper ballots.

RESULTS KNOWN AT CLOSE OF POLLS

When the polls close there is no necessity for a lengthy and exhausting process of opening, examining, and counting individual ballots. The tally has proceeded accurately and auto-

matically just as rapidly as the casting of the ballots themselves and is complete when the last voter has left the machine. It is merely necessary to unlock the machine and expose the counters, from which the total votes recorded for each candidate may be read off and copied on the tally sheets. The average time in arriving at the result of an election in the city of Buffalo, the second largest city in the state of New York, is approximately one hour. Within that time, usually, returns are received, tabulated and published in the extra edition of the evening newspapers. The workers' tasks are so lightened and their hours shortened that the law of that state specifies a reduction in the pay of the inspectors from $15 to $10 for election day, besides eliminating the two clerks required with paper ballots.

NO POSSIBILITY OF VOID OR QUESTIONABLE BALLOTS

When paper ballots are used there is an enormous loss of votes resulting from defective, spoiled and doubtful ballots. With the machines, on the contrary, every vote counts. The voter is guarded automatically against errors such as make paper ballots defective or at least doubtful. The machines, while allowing all possible legal combinations, cannot be made to register more than the legal vote for each office. In no state may they be used unless they have been certified previously by the proper official to be of such construction mechanically as to conform thoroughly with the legal requirements. There is only one possible method of voiding the vote. That is to cast an irregular ballot, *i.e.*, to write in the space provided for independent voting the name of a regularly nominated candidate for whom provision has already been made on the machine.

MACHINES LEGALLY AND MECHANICALLY PROOF AGAINST ERROR AND FRAUD

The claim is frequently made by opponents of the machines that they are susceptible to error and can readily be tampered with. Again and again reference is made to the testimony of the experts in the Chicago case, to the effect that elastic bands, clips and bits of metal could be inserted at vital points to control the movement, or that it was possible to set the counters ahead instead of at zero and to hide the fact in such fashion that the evidence would be destroyed during the process of voting. It is apparent that such few difficulties as have arisen have not been due to faultiness of the machines, but rather to misunderstanding or to errors of unlocking and setting them in preparation for use. They were usually quickly remedied by the custodians. The extra machines which all cities prudently keep in reserve for emergencies seem seldom to have been needed for that purpose. Both the construction of the machines and the provisions of the law for inspection and certification by the bi-partisan election board to the effect that they are operating correctly and the counters are properly set at zero make them practically proof against manipulation. In the latest models the counters are covered by plate glass slides to prevent accessibility, and there is an elaborate system of locks and seals which makes it impossible to manipulate or even to see the counters while the vote is in progress. When the polls close the machines must be locked against further operation before the counters can be exposed to view, so that the count recorded by the ballots cast cannot be changed until the machines are set for the next elections. Errors in copying the figures can be readily verified, and such verification is all that is required for a recount.

In the opinion of election officials "the machine approaches as nearly as possible a fraud-proof and fool-proof method of conducting elections." They "cannot readily be tampered with," despite the fact that "we have tried every known device to do so for experimental purposes." Fraud is possible only by the collusion of all the election inspectors before the polls open, and that only if they are well acquainted with the mechanism or secure the co-operation of the custodian also. Even then there will be discrepancies between the number of votes cast and the total number of voters as evidence of error or fraud.

LARGE ECONOMIES EFFECTED

Not only is the quality of a machine election likely to be superior to that where paper ballots are required, but it is to be had at considerably lower cost, because of the following factors:

1. Reduction in the number of election districts.
2. Reduction in the number of officials in each district.
3. Decrease in salaries of officials retained because working day is shortened.
4. Reduction in cost of printing ballots.
5. Reduction in cost of other supplies.
6. Reduction in rental of polling places.
7. Elimination of litigation attending contest and recounts.

So striking are the facts on the matter of expense, that the report of a survey dealing with the machines made by the New York State Bureau of Municipal Information is headed "How Voting Machines Reduce the Cost of Elections." In Report No. 943 issued by the same organization on November 14, 1923, in which the use of machines for voting is urged in order to reduce election expenses, it is shown that, excluding New York City, the average cost per vote in 1922 was 67 cents in cities using machines as against 88.6 cents with paper ballots. As these costs do not include the printing of ballots, which are provided by the counties the savings are much greater. In individual instances they ranged up to 50 per cent.

In Iowa during the presidential elections of 1920, the cost ranged from 17 to 21 cents per vote in counties using machines and from 40 to 77 cents where paper ballots were used. In Seattle the use of machines cut the cost from 28 cents per vote in 1912 to 12.4 cents per vote in 1920. Grand Rapids, spending an average of $22,400 annually, estimated a saving of $9,560 by the use of machines. Not only did they find "after two years' use of the voting machines that the estimated saving was conservative," but point to additional economies of $4,000 annually from the consolidation of election precincts after the law was amended to permit such consolidations. In San Francisco the districts using machines showed reductions of 50 per cent over those in which they had not yet been installed.

A conservative estimate indicates that, after all other possible economies had been effected, the use of machines in New York City would result in saving $400,000 annually in ordinary years and $50,000 more in presidential years, as well as another $50,000 if the state election law were amended to permit the use of machines in the primaries. The use of two machines in most districts would mean a further economy of $150,000 annually.

Experience shows that the cost of installation has easily been met in from four to ten years, the average being approximately seven. As a matter of

fact the manufacturers in many instances are able to induce the local authorities to install machines only because of their willingness to accept payment for the purchase price in installments derived from the savings effected.

OBJECTIONS VOICED OF SLIGHT VALIDITY

What force there ever was in the objections voiced seems to have disappeared with the passage of time and the development of improved models. Most of them seldom or never had any basis in fact. It is not true, for instance, that use of the machines is conducive to straight voting. No statistics have ever been quoted in support of this claim, whereas it is easy to quote election returns proving the contrary. Neither is it possible to tell from the clicks or the length of time spent in the machine how one is voting—nor, for that matter, whether he is voting a "straight" or a "split" ticket. Breakdowns have been so few in number that they have been forgotten even in the cities where they have occurred. The cost for repairs has been comparatively slight. Buffalo is still using the machines purchased in 1899 and Oswego those bought the following year, although they have been altered or improved to fit the changes made in the election laws since. In fact, from whatever angle the subject is approached, the facts are overwhelmingly in favor of the use of machines instead of paper ballots.

PUBLIC WELFARE! WHOSE RESPONSIBILITY?

HOW CITY AND PRIVATE AGENCIES SHARE IT IN BOSTON

BY ROBERT W. KELSO

Executive Secretary, Boston Council of Social Agencies

Every city has a public welfare problem which must be faced by government and private agencies in co-operation. How should responsibility be divided? This is the first of a series of articles describing how typical cities are facing the issue. :: :: :: :: :: ::

THE New England Yankee has ever been an experimenter and an inventor. In the field of mechanics his tinker genius has long been a by-word. In social engineering his prowess is not so well known; but it is none the less noteworthy. And if, in an examination of his social institutions, more than one wooden nutmeg be uncovered, it is not to be held up as a cloud upon his title to great praise in the building of that defense system which society in these intensive latter days discovers to be essential to progress.

When to this intensive mental ebullition is added the further fact that organized social service in Boston is 300 years old, the readers may be prepared to find within this quaint old city of the new world a vast number of social service enterprises, public and private, founded at the critical moment of need; perpetuated through the Puritanical stubbornness of the law;

and forced into post-mortuary vigor by the dogged persistence of the Boston complex.

Boston's philanthropic practices of to-day have been beaten out of the hard rock of experience; so that it is only by looking down the vista of those three centuries that true perspective of the present situation can be gained. At first sight the observer wonders that Boston has never provided asylums and orphanages for dependent children. In the beginnings of the Plymouth and Bay colonies there were no charity foundations, nor any public monies out of which to build orphanages. Necessity drove the governor and assistants to place children out by indenture. Hence the practice of foster home placement now established as state and municipal policy throughout Massachusetts. One wonders also at the excessive number of insane and mentally defective persons in Massachusetts institutions—1 in every 192 of the population—and at the great volume of outdoor poor relief. But wonderment is largely dispelled by referring back to the practice of England and the continent a century ago, by which mental defectives were emigrated from poor law unions to New England, here to be cared for as an unclassified mass in our almshouses. These hereditary strains still persist in the old Commonwealth, yielding each year their excessive quota of ne'er-do-wells and feeble-minded dependents for the public to support.

GROWTH OF PUBLIC RELIEF

It was natural in a pioneer colony of Englishmen that the charity practices of old England should be copied as nearly as local conditions would permit. The overseer of the poor, established in Old England in 1572, has his exact counterpart in the overseer of the new Boston. The Massachusetts law of legal settlement describes in all essentials the law of the mother country. And out relief as now practised in Boston is identical with the same process in old Boston and her sister towns of Lincolnshire.

It was in the French and Indian War that the burden of relieving large numbers of refugees first bore heavily upon Boston. She sent petition after petition to the general court for relief until, in 1675, "the province poor" became recognized as a responsibility for the state government. These were persons wherever found, who were without legal settlement in any city or town. From that day to the present the ranks of "the state poor" have been steadily increased by the addition of special groups until now the government of the commonwealth as apart from that of the city expends more than $400,000 annually for the care, custody or relief of persons found living in Boston.

The Massachusetts system of public social welfare calls for the centralization of method and policy in the state government, leaving the administration with local communities, but assuming *in toto* the treatment of special groups. Thus the unsettled poor are cared for either in state institutions or by out relief by local overseers but at state expense. Mothers' aid is supplied to a total of 45 per cent by state funds though municipal officers administer the relief. In this way the Boston overseers laid out $938,904.62 in 1923, $342,938.67 of which was reimbursed to them by the state.

The insane and the feeble-minded are cared for by the state out of taxes apportioned to the several cities and towns. Boston pays some 40 per cent of the state taxes raised for all purposes and receives back about one third of her poor law outlays in state refunds for poor relief.

Juvenile delinquents, when committed, go to state reform schools and most adult convicts to the county house of correction and the city jail, these being the city's only receptacles for the care of law breakers. The city has its almshouse and hospital where it houses more than 1,100 inmates at a yearly expense approximating $400,000; its house of correction; its jail and a child-placing department with 2,000 children in custody.

In the field of health the City Hospital cares for acute cases; the sanatorium receives the tuberculous, and health education is given a new ally in the health centres in the West and North Ends. New units are planned for East Boston and the South Boston district.

Taking the items of her public social welfare program at a glance, Boston is thus providing foster family care for her neglected and dependent children; is conducting an extensive probation service for juvenile delinquents and is sending committed cases to state care. She conducts an almshouse for the dependent poor who are too infirm to be aided in their own or boarding homes; and is distributing out-relief to all other dependents with or without legal settlement, the unsettled cases, however, at state expense. She conducts an acute hospital for the dependent sick and a sanatorium for the tuberculous, but sends all insane and mental defectives to state care. In addition she aids and abets the educational service of her regular health department by a system of health centres, two of which are already in operation. These centres represent also an important juncture between public and private agencies.

This grist of service cannot be calculated in terms of separate individuals as records are incomplete and duplications are known to exist. It is possible to state that nearly a thousand children come to the city's care in a year; that the hospitals supported by the city afford 273,215 hospital days' care, mostly to dependent patients; and that the overseers of the public welfare give mothers' aid to 1,300 families and outdoor poor relief in 3,500 families, the two groups representing about 15,000 persons. The bill for all this welfare work totaled $4,551,894.94 for 1923, the last available data. It approximates 10 per cent of the city expenditures.

PRIVATE RELIEF BY PUBLIC OFFICERS: THE POOR GET THE USE OF A COW

The practice of citizens in colonial times of leaving gifts and trust estates to public officers, in particular to the overseers of the poor, has resulted in that board now holding seventeen such private trusts with an aggregate of $900,000 in funds. The interest yield, approximately $89,500, is disbursed to needy persons and families in accordance with the term of each particular trust. Two hundred and twenty-six instances of aid were shown for the year 1923.

The quaint records of the earliest town meetings of New England are replete with instances of this practice. The first gifts were in the form of cattle. Now and then a bequest of "beaver" was made, for money there was little and money standard of value there was none. The first entry in the Plymouth records occurs in 1624, when a heifer was sent over in the ship *Charity*, as a gift to the governor and assistants to be pastured out with poor families in turn, they to take the milk and the increase to belong to the colony for further use in charity. By 1638 this original gift amounted to twelve head of cattle.

One standing in the State House

Dome, looking down upon Boston Common, may still in his mind's eye see the cattle of the villagers grazing there, among them the charity stock belonging to the town. At sunset they will be driven home by the children of those families to which by order of the overseers of the poor they have been assigned. Even the cow herself was sometimes accorded recognition. An entry in the records of old Concord reads as follows: "The Selectmen being informed of y^{e} great p^{r}sent want of Thomas Pellit they give order unto Stephen Hosmer to deliver a Town Cow unto s^{d} pellit for his present supply, who accordingly delivered a cow upon y^{e} account affors^{d} unto him s^{d} pellit which cow is of a black couler, a white face with black spotts round each eye, & s^{d} cow is to continue wth s^{d} pellit so long as s^{d} selectmen Judge necessary."

In any final appraisal of organized philanthropy in Boston this time-honored appreciation of governmental organization as a fit channel of social service must be taken into account. Within the present generation, the city has received two gifts, one by the will of Francis Parkman, the other from George Robert White, aggregating more than $10,000,000 in capital funds and yielding approximately $450,000 each year for general beautification and improvement of the city as a place to live in. The Parkman trust is used more specifically in the improvement of parks, while the White fund is at present applied to the development of health centres. Both of these gifts but followed the illustrious example of Benjamin Franklin, whose benevolence now stands as a great trade school helping the young artisan as Franklin in 1793 desired that his town of Boston should do. All told the city now holds such private trusts for public uses to a total exceeding $17,000,000.

GROWTH OF PRIVATE AGENCIES

In general, government undertakes outlays of money for social welfare purposes only after long insistence and complete demonstration of the need by interested citizens. The public enterprise when finally undertaken is in essence the execution of the will of the people expressed in the statute law. This administrative field is in general the province of public social welfare. But the long process of experimentation, of trial and error, by which the need is revealed and the method of meeting it demonstrated must be left to those same public-spirited citizens who organize themselves into groups or societies for the purpose. These groups are our private social agencies.

In Boston there are nearly 400 chartered enterprises professing some public welfare service. The number of unincorporated social work enterprises probably exceeds 100. Of all these not more than 250 are of consequence. In this active group are 34 agencies that care for children through homes, or placement or day nursery work,—42 offer health service, including 10 general and 9 special hospitals and one for maternity cases. It includes 8 dispensaries, 2 convalescent homes and 7 non-institutional health societies. There are 25 bodies carrying on family relief work. Twenty-eight are settlement houses or render neighborhood service. Thirteen are homes for the aged. The large remainder is too various to classify.

Social agencies come and go. Some 30 Boston societies receive charters from the commonwealth each year, while about 20 fail to grow beyond the cotyledon stage. In general an enterprise founded upon an impulse of the heart and a hope that benevolence will flow withers in the heat of the day; while the less impassioned effort taken

up at the direction of a testator who has left real gold for its foundation lives and extends its tap root like an oak at the bank of the river.

FORTUITOUS GROWTH

In Boston as elsewhere, social service agencies have sprung up as the need and the emergencies of the times have called for them. The earliest organizations attempted almost always to grant relief to some limited group of individuals and their families, usually within some one of the church denominations, or a single nationality. The Scots Charitable, the Charitable Irish Society and the British Charitable Society were the earliest private organizations on the scene. For nearly two centuries relief of a community-wide sort was invariably given by the public overseers of the poor, while such private relief as was rendered came from these special societies.

By the end of this period five children's homes; two child-placing societies; and three organizations for the protection of girls had come into existence. By this time also there were two dispensaries and three special hospitals. In 1850 the total number of the special relief bodies was twenty-three.

Very little of a permanent nature sprang up during the decade of the Civil War; but by 1870, when the stress of the reconstruction period was entering its more critical phase, organizations came rapidly into being for the hospitalization of the sick, the relief of the handicapped and the assistance of working people. It was in the next ten-year period, known to American Social Service as the golden eighties, that the true elements of the Boston program of social service began to take shape. Thirty-four of the charitable corporations now active in the city were established in that decade. Considering that the mortality rate is so high among social and reformative efforts, this is a high degree of permanency.

Of special note in this period is the beginning of the settlement house movement. Though Roxbury Neighborhood House, founded in 1878, is the pioneer, three new houses were established before 1885, and three more before 1890. By 1900, eleven more had been added, which with the nine opened since the beginning of the new century affords a total of 27 units engaged in settlement work in Boston proper.

The important developments of the twenty-year period opening with this century are the rapid upgrowth of hospital and dispensary service; the multiplication of boys' and girls' clubs; a recrudescence in the creation of special relief bodies; the upbringing of numerous research and health educational enterprises and the building of ten homes for the aged.

It is probable that the year 1920 marks the end of fortuitous growth; for in that year, approximately, begins the world-wide federation movement, a new epoch in social welfare methods, which finds its springs in a growing community consciousness and sets for its aim the development of a coherent and comprehensive program of social service for the whole community.

OUTLAYS

The 250 active units of private social service in Boston spend something over $14,000,000 each year for all purposes. The correct figure is known to be probably in excess of fifteen millions; but accurate data for a few organizations are not available. Approximately 40 per cent of this total goes for hospital, dispensary and other health services; 12 per cent is expended in settlement and neighborhood work; 10 per cent

goes to child care; and 3.6 per cent maintains the 19 homes for the aged. The remainder is absorbed in general and special relief and in the large group of miscellaneous enterprises.

But though the entire effort here represented is made in the interest of the public, not nearly all of it is charity. The whole group of private agencies earn 54 per cent of all their outlays in fees, sales and refunds. Thus the total expenditure by private charitable corporations for which there is no return from the recipient is about $7,000,000 a year. It is of interest to note also that 19 per cent of total outlays comes from invested capital, leaving 27 per cent to be met yearly by the benevolent public.

PUBLIC *vs.* PRIVATE

Public and private social service effort in Boston are closely interrelated. Field work and assistance are rendered by the two groups acting jointly. In some cases private agencies supplement mothers' aid payments; in many instances they perform visitorial services for the public authorities. In playground and recreation service, in public health education, in child placement and in outdoor care of the aged, individuals in both fields commonly join in work upon the same cases. Both groups use the Social Service Exchange, which has now a master list of 600,000 names.

In its proper field of experimentation private social work in Boston exhibits an unusual amount of activity, but like many other communities there is a degree of duplication. The family relief given by a general relief society is exactly what the overseers of the public welfare should be giving within the spirit of the poor relief law. It is outdoor relief. It aims to be adequate. It is on an individual case work basis. But because public appropriations are limited and the eligible cases cannot be refused by the public almoner, it is seldom possible to make public aid adequate. Hence the supplement by private funds. In the special group there is such a departure from uniform treatment that public relief is impracticable. Again in the care of the aged, though the public provides both outdoor and almshouse care and has outstripped the private trusts in sound classification of indoor cases, private homes continue to increase in number. There is and may be always a desire to avoid the social stigma of public support.

THE SYSTEM AT WORK

If a child falls ill in Boston it may go to a general hospital or it may have the benefit of a special children's ward. If its home surroundings are not suited to its convalescence and later care, the hospital social service of any one of these hospitals may find convalescent care in camps in summer or in rest homes at other seasons. Usually they will turn him over to one of the child-placing societies, in particular the Children's Mission to Children or the Children's Friend Society, which will place him in a selected family home, where the housewife has been trained as a nurse.

If the little fellow's trouble has arisen from the neglect of parent or guardian the Society for the Prevention of Cruelty to Children may come in; or the state or city departments of child guardianship may accept him for care until the home can be rehabilitated or the child becomes capable of self-help.

If there is a conduct problem involved, the Judge Baker Foundation or the Psychopathic Hospital may make a study and submit a diagnosis. If necessary the little fellow may go to the House of the New England Home for

Little Wanderers for a period of observation pending placement.

Boston has extensive provision for the protection and care of children. The aged do not fare so well. If an old lady of seventy finds herself with but a few hundred dollars left and is too infirm to earn she may appeal to her relatives, or she may go to the almshouse or she may seek refuge in a charitable home for the aged. Usually she tries the Home first.

But here she meets with disappointment. About one in every ten aged persons known to the Boston Homes for the Aged is standing in the waiting line and is destined to die there before a bed can be found for her in the Home. Applicants may wait from three to five years for admittance. Her course is usually to return to her lodging and live on her little remnant while she waits. A case arising in Boston recently revealed such an old lady, who, when her savings dwindled to $160, deposited them with her friend who was an undertaker and then went to the almshouse. She was determined to avoid a pauper's grave.

Viewing the entire field broadly it is a heterogeneous mass not yet co-ordinated into a working system. But the effort toward such integration is already under way. The Boston Council of Social Agencies, established in 1920, includes both public and private agencies. It is a federation now comprising 130 organizations, aiming to align their various enterprises in one consistent program of service. Already they find gaps where the chronic and the convalescent sick are receiving inadequate attention, while general relief and child care show much duplication. Several junctures, especially between children's agencies, have already taken place. Others are just in the offing. Problems in public service—the policies to be pursued in extending mothers' aid; the development of more self-help service for the blind; the upbuilding of psychiatric service in connection with the courts, and many others—are placed upon the counsel table for discussion before adoption. Such an accord is springing up that it is now possible to claim for social work in Boston that the epoch of isolated individual effort has passed and the era of co-ordinated service has come.

THE POWER AND PRACTICE OF VIRGINIA COUNTY BOARDS

BY MARY ELIZABETH PIDGEON
Division of Extension, University of Virginia

Due to city-county separation, county government is a rural job in Virginia. But it hasn't been too successful, and Governor Trinkle has recommended the county manager plan. Another article in our series on county government. :: :: :: :: :: ::

WHEN faced with the question as to whether the most fundamental problem of the county board is one of personnel, one of organization, or one of public ignorance or indifference, we are bound to admit that each of these elements enters heavily and quite unmistakably into the whole. And the greatest of these is public ignorance and indifference.

Members of county boards in Virginia are almost always citizens respected in their communities, most often farmers, sometimes lawyers, doctors, bankers, owners of mills, orchardists, even school men; almost always are they politicians in some measure; never, so far, are they women, though that will come in time. Considerations of friendship, and often of personal gain, either financial or political, are certain to influence many members of boards, at least in some of their decisions. However, this can by no means always be charged to dishonesty or to bad faith.

VARIOUS INTERESTS CONTROL MEMBERS

There is the member who interests himself actively in having a road run conveniently to himself or to his neighbors, in "building a boulevard by his own home with county money," as one disgruntled Virginian expressed it; or in having one repaired in a district not his own because some influential citizens there may in consequence support him for a county office in an approaching election. There is the member who interests himself in the rerouting of a mail delivery for the convenience of some special neighbors. He thereby wins their votes, and in turn binds himself to the member of Congress who engineered it for him. More questionable is the motive of the man who favors his own bank in the deposit of county money, securing an easy interest rate; or who even advocates county borrowing in order that his bank or his broker may profit by handling the bond sales. There is the natural conservative who has opposed rural supervising teachers, public health nurses, food demonstrators, or farm agents, but who is suddenly won to their support by the entrance into the field of some relative, or perhaps by the trading of votes with his fellow members in order to gain support for some measure of his own. There is the member who bends his activities toward the securing of a consolidated school in his district, or who perhaps opposes consolidation altogether, being influenced chiefly by the convenience of his own children. There is the member who assures for himself votes by small doles of money to some of the county poor in his district. Recent investigations, indeed, in some of our counties, have revealed poor lists un-

revised for so long that amounts were paid as outdoor relief to persons no longer indigent, and in some cases in the names of those now dead. There is the "relic of the feudal lord," as one Virginia county worker calls him, who maintains in his wide and beautiful lands a mill run by his tenants, and a country store at which they buy their food. He does not want too much schooling to be afforded in his district, lest his retainers grow dissatisfied, nor too much county attention to health and poor relief, lest they cease their dependence on his bounty.

The writer recalls, from some county recently visited, at least one example of each of these types, and recalls also examples of board members charged with some such motive, who were in reality acting upon sincere conviction or sound business theory. It is often very difficult to draw the line between a man's honest opinion based upon principle, and his action upon purely personal considerations. Typical of the county problem everywhere is the status of isolation by which political groups hold a well-nigh absolute sway, since the citizens usually have few adequate sources of information as to how matters are handled in other counties.

SMALL BOARDS AND CITY-COUNTY SEPARATION

In Virginia, there are two outstanding advantages: the small size of the board; and the independence of cities from county areas. The latter appears to be unique as a state-wide situation, and it has existed here since colonial days. It means that in respect to elections, taxation, law-enforcement, and other matters, entirely separate jurisdictions exist, the county areas being distinct from the city. The city dweller is not subject to county tax, to regulations of the supervisors, or to the police system of the county, nor the county dweller to those of the city. Thus the confusion of overlapping powers and the duplication of officials within the same territorial units, both of which burden the counties of so many states, are here greatly minimized. Thus the county problem becomes essentially rural in character.

The Virginia board is elected, for a four-year term, by "magisterial districts," and since its small size—constitutionally, from three to eight members—has forestalled some of the difficulties attendant upon the unwieldy boards of some states, there is little sentiment for the formal question of election at large. Satisfaction with the present method of choice is rather heightened by the economic disunity of some of our counties. The magisterial district, as its name implies, was originally a unit of justice, and so remains to-day. It is now also the unit for poor relief, law enforcement, local levy, and sometimes for election. This district has no powers of self-government, such as the township in some states.

THE POWERS OF THE BOARD

Although it has been often quoted that "in legal contemplation, the board of commissioners is the county," yet in actual practice, the origin of the board and the restrictions on its action leave it far from a free or fully authoritative body in almost every sphere. The constitution states that the general assembly may confer upon it

> such powers of local and special legislation as it may from time to time deem expedient, not inconsistent with the limitations contained in this constitution.

In pursuance of this, power is granted to make ordinances and by-laws, to impose small fines, and to

> adopt such measures as they deem expedient to secure and promote the health, safety, and general welfare of the inhabitants, not inconsistent with the laws of the state.

A liberal interpretation of this measure would seem to allow almost as great a latitude as the "general welfare" clause of the United States constitution allows to congress within its field. In practice, however, very cautious use is made of this statute. Legal restrictions are numerous, and supervisors, often not versed in the law, fear to make some misstep, with a possible forfeiture of bond. In addition, they are hampered in the performance of many responsible acts by lack of appointive authority over those officers upon whom they would have to depend for execution. This reverts to the historical origin of the board as differentiated from the county court.

The court retained its judicial[1] prerogatives, conferring on the board the legislative duty of financial planning. The administrative functions were divided between the two, the board being given highway control and the appointment of highway officers, while the court held the appointment of all other officers not made elective. It was not then[2] fully appreciated what a handicap to the board would be the lack of authority insuring effective financial control, and the difficulties of the decentralized administrative system.

Traversing the county functions connected with public health, education, welfare or poor relief, election, justice and police, we find none of these, except in respect to the need for money, under the county board; nor does it, as in some states, equalize the assessments made by elected tax commissioners. Activities in all these spheres are more or less directly under state boards, and all are still partly controlled by the circuit court through appointments. The natural outcome of the fact that the supervisors thus have greater administrative control over highways than over any other branch of county life has been that interest and money were especially concentrated upon this phase of development. Further, neglecting, and being politically encouraged to neglect, that other great authority of the board, the financial, the average voting citizen came to believe that the choice of supervisor ought to be primarily the choice of one who knows road building. Thus a vicious circle appeared.

The financial administration, however, so far as it can be exercised unhampered, is the keynote to the real power of the board. This may be considered under the headings of the levy; the letting of contracts and purchasing; borrowing; and appropriations.

COUNTY FINANCES

Although it applies more especially to elected county officers than to the board, a word may be said of the encouraging progress now being made in state financial supervision. Beginning July 1, 1922, the state accountant was charged by the general assembly with an annual audit of local accounts. Thus, comparative data will now become increasingly available to counties, not only in regard to methods of accounting and financial management, but also in regard to expenditures proportional to results in various lines. Both the public and the county officers will be enabled to obtain knowledge leading to improvements. In his first report, after the newly installed audit had been in process for three months

[1] The adjustment of claims against the county, which rests with the board, may be said to be a judicial function.

[2] The differentiation of the board took place during the reconstruction period following the war between the states. County courts have now been replaced by the circuit court which sits in from one to six counties. Its appointive power gives it an authority much more than county-wide, therefore.

and 43 counties had been covered, the state accountant said there were

> numerous errors, large and small, omissions, incorrect distributions to funds, inaccurate calculations. Certain practices contrary to the law existed, as for instance, some treasurers were disbursing without warrants, depending upon the receipted bills as vouchers for payments.

Further light is thrown upon the handling of county finances and upon the vast amount of good that can be done by a central check-up, by the recommendations of the accountant accepted early by one county board and since by the majority, that the treasurer pay claims only after warrants have been issued; that the supervisors keep proper records of miscellaneous items, such as capitation taxes, sale of county property, donations, etc.; that the treasurer adopt a uniform accounting system as outlined by the state office; that the commissioner of revenue receive no commission for extending taxes on public service corporations. In regard to the last point, however, the supervisors in some places correspondingly increased the rate of commission upon other classes of property, to make this good to the assessor. In his next annual report, the accountant further stated:

> The general improvement in accounting methods in local offices brought about by this service cannot be measured in dollars and cents.

The tax levy is complicated by its three-fold character, county and district levies are fixed entirely by the board within certain limits, and the state levy by the general assembly. The county and district levies combined are about eight times as great as the state levy, and are in addition to the various moneys received by the county as state aid for different purposes, such as roads, schools, etc.

The letting of contracts and the designation of banks of deposit is entirely under the jurisdiction of the supervisors, with the legal stipulation that no member of the board, or paid county officer, shall hold, or shall become interested in, any contract for the building of highways. That this has not always proven a sufficient safeguard is shown by the recent experience of one county. Here it was found that money secured by bond issues was deposited in a bank of which the chairman of the supervisors was president, and the chairman of the finance committee was a director. The money had lain in this bank for months without interest to the county. To prevent such situations, the Commission on Simplification of State and Local Government proposed to the 1924 legislature a bill requiring all moneys to be deposited on interest, but this recommendation was defeated.

Another bill proposed by the same commission, authorizing county boards to seek the aid and co-operation of the state purchasing agent in securing supplies, was passed. Since this is merely permissive, it is a question how far it will be used by counties buying in sufficient quantities to justify its employment. In the case of highways, where its need would be most obvious, much use is made of the purchasing department of the state highway commission, for materials both for state and for county roads.

Borrowing is usually by bonds, the rules differing somewhat according to the purposes, but generally providing for interest not above 6 per cent; for a maximum thirty-year period but thirty-four in the case of roads; for sale not below par; for the actual receipt of a true money consideration; and for approval by popular vote. Supervisors must include the interest as a part of their annual levy, and must provide for a sinking fund. These safeguards would appear adequate.

BORROWINGS

In practice, however, issues are often made without a popular vote, by the passage in the general assembly of a special permissive law for a county or district, particularly for road or school purposes. Of course, such a measure appears in the legislature as that well-known pernicious "local bill" which takes undue time of the members, and which no delegate or senator not from the section concerned would care to oppose. While sometimes rather wisely used to forestall a reactionary public opinion, this dangerous method has resulted in precipitating heavy indebtedness before the citizens knew the situation. It is usually done with the knowledge, and sometimes at the instance of, the board, or its individual members. In one place it was recently found that there were outstanding by various special acts two issues for the whole county to match state money for road building, two issues of separate districts to provide for one improvement, and one issue which had previously been authorized by the citizens. Commissions not authorized in the acts were sometimes paid to banks or to companies for the sale of these bonds; or deposit was made without interest, virtually creating what was prohibited, a sale below par. The local Taxpayers' Association charged that suit to recover some $85,000 lay against the supervisors and their cohorts.

Many of these financial difficulties would be overcome by adequate budget procedure, with the necessary accompanying publicity. A recent bulletin of the League of Women Voters of one of the counties makes the following statement:

> The supervisors have undertaken to balance the county budget. This has not been done for years, and as a consequence the county owes many thousands of dollars for expenses incurred in the past. The determination to balance the budget is therefore highly to be commended, provided the expected revenue is apportioned so that those things of first importance receive first consideration.

The bulletin also points out that the supervisors apportion nearly $35,000 to take care of a road building program previously entered upon, with $44,000 to salaries, bridges, poor relief, and health, "in decreasing amounts in the order named." Then it complains significantly:

> A county wealthy enough to pay one of its officers (the treasurer, largely by the fee system) a yearly salary of $6,500, with an additional allowance for office expenses of more than $6,000, is allowing only $2,000 to support the four health workers.

This bulletin was attempting to give that publicity which is so needed in regard to the actions of the county board and other agencies, especially in matters of finance. In this case, plans for the levy were made in March, although it had been customary to do so in April. After apportionments were completed and in progress, the supervisors accepted, from a private individual, a loan of $15,000, to meet an emergency call for the re-building of a condemned bridge. A similar offer for the maintenance of the health unit, however, was rejected. Here, beside the obviously popular plea of "cutting expense," it was charged that one member desired to install a doctor friend, who had previously delayed urgent requests from the local board of public welfare to inspect some serious hygienic troubles in the jail, and who gave promise of being sufficiently laissez-faire. At the May board meeting, this doctor appeared, and generously offered to undertake the work on a fourth-time basis, for the moderate sum of $12,000, "the balance of the

appropriation to constitute a reserve fund to be drawn upon in case of emergency." Opposition to this appointment from doctors and other friends of preventive medicine caused the board to postpone the matter until June, ostensibly to hear from one of the public health nurses, whose excellent qualifications for continuing the work were already known, but whose retention was urged as an alternative to the employment of the doctor on part time.

In the meantime, it was pointed out as a new idea, that the supervisors controlled only the appropriation, and not the appointment, and that the latter was made by the local board of health. The state board was appealed to, and funds were made available to maintain for a year the existing unit, with a new head. The doctor desired by some of the supervisors was not installed. This is a case in which lack of authority in the hands of the supervisors saved the day temporarily, but a settled basis for this county department was delayed from April until September, and then was assured for one year only.

It is a legal provision of long standing that the supervisors shall make a semi-annual report of receipts and expenditures, under a specified classification. This is to be posted at the court house, at each polling place, and to be published twice in successive weeks in the county paper. In addition, the treasurer is required to keep his books, papers, accounts, and records of warrants drawn, at all times ready for the inspection of the supervisors, commonwealth attorney, or any taxpayer. In actual practice, country polling places, and the court house itself, are frequently not visited by citizens, except at elections or at special times. The prescribed classification of accounts is adhered to in a very sketchy fashion; it is most difficult to get an adequate view of the treasurer's books in many counties; and they are sometimes kept in such manner that it is practically impossible to decipher their meanings. All this, despite the unvarying courtesy of the officers themselves, makes information unavailable. An editorial in one county paper well sets forth the case:

> The newspaper reports of accounts of supervisors contain a heterogeneous collection of dates, names, and amounts that defy classification. To get the whole report it is necessary to clip from time to time, file away carefully, and finally assemble all the parts for study, a tax upon attention that the average citizen is not equal to.

And even then, be it added, the result gives only income and outgo of county moneys, and a real appraisal of the whole condition of the county, including assets and outstanding liabilities, is never obtainable.

GOVERNOR PROPOSES THE MANAGER PLAN

Lack of financial control, and decentralized county administration, has led to advocacy of the manager plan. In his message to the general assembly of 1922, the governor said:

> I believe that the general assembly can well afford to direct their attention toward the study of a county management plan, under the care of a county manager, with the assistance and advice of the board of supervisors.

No formal action was taken in this matter, but some study was made by the Commission on Simplification of State and Local Government. Any manager now installed would be merely superimposed upon the present system, and could not be wholly effective. However, this was the line of advance that initiated the system in cities. One enterprising county, indeed, did inaugurate a "county manager." His title was challenged as "unconstitutional." His main jurisdiction, how-

ever, is over roads, he reports to the state highway commission, and in reality occupies that position elsewhere known as county engineer, or highway superintendent.

Thus, with officials separately elected, and local boards responsible to state boards in large measure, little can be done to install in the county an orderly scheme of administrative management, such as we understand in the city. The most practical immediate improvement which can be undertaken, which will benefit alike citizens, county boards, and other officials, is a continuation of the movement toward intelligent and intelligible budgeting. Here a uniform system could result from state auditing, just as uniform accounting is recommended and is being accepted. Thus, also, parallel information will become available.

In county, as in state, such a movement must go hand in hand with an increase in operating control, and, to secure this, reorganization of the decentralized administrative machinery must be undertaken. The movement for making more fully and more easily available, through state boards, comparative knowledge upon all phases of county life must proceed. Better legal safeguards must be provided for contracting, purchasing, deposit, and borrowing. Fuller responsibility of supervisors over purely local legislation must be encouraged to the end that the general assembly may be relieved of much of the burden of local bills. Publicity will protect officials, and will aid in securing that most important asset of all, a citizenship intelligently and actively interested in public affairs. In the end, progress can be made only by convincing both citizens and officials that any suggested changes will afford actual assistance in the solution of their problems.

MUNICIPAL HOME RULE IN NEW YORK

BY LAURENCE ARNOLD TANZER

Attorney at Law, New York City

The author, who has played a prominent part in the struggle for home rule in New York, explains how the system there differs from other states and shows what it is accomplishing. :: :: ::

THE adoption in November, 1923, of the home rule constitutional amendment, followed by the enactment of the city home rule law of 1924, marks the culmination of a twelve years' campaign for municipal home rule. The antecedents of the movement and its early stages were described in an article in the NATIONAL MUNICIPAL REVIEW for October, 1913.[1] The long standing dissatisfaction with legislative interference in municipal affairs; the failure of the constitution of 1894 to provide an effective remedy; the growth of the evil of special legislation regulating municipal affairs; and the formation of state-wide organizations to combat it through a comprehensive legislative program, were there detailed and need not be dwelt on further here.

[1] "Legislative Interference in Municipal Affairs and the Home Rule Program in New York," by Laurence Arnold Tanzer, Volume II, p. 597.

MINOR PROGRESS IN PAST YEARS

Two of the measures on the legislative program of the Municipal Govern-

ment Association were enacted with little delay,—the Municipal Empowering Act (Laws of 1913, Ch. 247) and the Optional City Government Law (Laws of 1914, Ch. 444). The former granted a long list of enumerated powers and thus made it unnecessary for every city to apply to the legislature for a special act whenever it desired to exercise some municipal power not specified in its charter. The latter authorized the people of any city of the second or third class (*i.e.*, any city other than New York, Buffalo or Rochester) to adopt, in place of its existing charter form of government, any one of six forms of government enumerated in the act. Each of these laws represented a step forward, but neither of them went far in the direction of municipal home rule; and neither has been much availed of. The powers granted to cities by the municipal empowering act must, by the terms of that act, be exercised within the framework of the existing charter of the city, and any change in the charter would still require action by the legislature. No power was granted to cities to amend their charters, excepting as authorized by the optional city government law. A city could come under that law only by making a complete change in its form of government; and if it decided to do so, the framework of government, provided in outline in the statute, would have to be filled in by ordinance by the local legislative body. Several cities did, shortly after the enactment of the law, vote to adopt the city manager form of government, which was one of the optional forms of charter made available by the act. The movement was temporarily halted by litigation attacking the law as an unconstitutional delegation of legislative power. The attack was successful in the lower courts; but their decision was reversed by the court of appeals in a unanimous decision sustaining the law, with an opinion upholding in broad terms the power of the legislature to grant to cities power over their local affairs (*Cleveland* vs. *City of Watertown*, 222 N. Y. 159). In the meantime, however, the ardor of the reformers had cooled; application to the legislature for confirmatory and supplementary legislation in forms grown familiar with usage seemed the path of least resistance as compared with the novelty and uncertainty of local action; and new charters were obtained from the legislature for the cities referred to.

The ineffectiveness in practice of these laws points the moral, that regulation of municipal affairs by special act of the legislature was bound to continue so long as it continued easier for those desiring a special act, whether within or without the city affected, to obtain its enactment from an uninformed or irresponsible legislature than to effect the desired change by local action. It became increasingly evident that an amendment to the constitution of the state would be required, to insure to cities a substantial degree of power over their own affairs and establish some restriction on the power of the legislature to interfere in local affairs.

PASSAGE OF THE AMENDMENT

The home rule constitutional amendment was a part of the original program of the Municipal Government Association, announced in 1912. It was advocated by the Conference of Mayors and Other City Officials and was actively pressed for adoption by the New York State Association, which succeeded the Municipal Government Association, and by the Citizens' Union, the City Club of New York, and other civic bodies.

The amendment as first introduced differed substantially from the amendment as finally passed. In its original form, it empowered cities to adopt local laws relating to their local affairs and property, which would supersede inconsistent provisions of acts of the legislature not applying uniformly to all cities. While the legislature was directed to provide the machinery for putting into operation the powers thus granted, the powers granted to cities would be derived from the express grant in the constitution itself, which likewise provided for submitting to referendum the manner of drafting local laws, whether by commission or by convention, as well as the proposed laws themselves. In order to guard against legislative interference with the powers granted, the legislature was prohibited from passing any law relating to the property, affairs or government of cities, except by adopting uniform laws applying alike to all cities.

The amendment was introduced at the 1914 session of the legislature. It passed the assembly and narrowly failed of passage by the senate.

In the following year, the problem of municipal home rule occupied a large share of the attention of the constitutional convention. The convention had before it the proposal of the Municipal Government Association and a number of other proposals for dealing with the subject. The committee on cities, of which the late Seth Low was chairman, held a number of hearings and recommended a constitutional grant of home rule power to cities. After lengthy debate on the floor of the convention, such a grant was adopted as part of the proposed new constitution submitted to the people by the convention.

The article on cities, as adopted by the convention, conferred upon every city exclusive power to manage, regulate and control its property, affairs and municipal government, including power to revise and amend its own charter. The power was subject to the constitution and general laws of the state, and subject also to uniform city laws, and changes in the framework of the city government or modifying restrictions as to issuing bonds or contracting debts, would require the approval of the legislature; but the legislature was prohibited from itself passing any law relating to the property, affairs or municipal government of any city, except uniform city laws.

The proposed constitution of 1915 met with great opposition from many quarters, largely on political grounds, and was rejected at the polls. Its defeat carried with it the failure, or at least postponement, of several necessary reforms included in the draft, not the least of them being municipal home rule. The advocates of that reform did not, however, permit themselves to be discouraged; but they presented to the very next session of the legislature, in 1916, a modified home rule proposal, in substantially the form finally adopted. The most important departure from the original form of the amendment consisted in abandoning any attempt either to designate a field of legislation over which cities should have exclusive power, or to prescribe the manner of exercising the powers granted, in favor of a grant of power in general terms, leaving the manner of exercising the power for the legislature to determine. In making this important change, the advocates of home rule took into consideration the fact that the interests of the state and of the cities were so intertwined as to make it difficult and dangerous, if not impossible, to mark out by constitutional provision a rigid

line of demarcation between the sphere of action of the city and that of the state. They believed that the conflict, uncertainty and litigation which had resulted from similar attempts in other states might be avoided by leaving the powers of cities flexible and subject to control by general legislation. Inasmuch as the greatest practical evil connected with legislative control over municipal affairs was to be found in the mass of special laws relating to the purely local affairs of particular cities, it was felt that the powers granted to cities could be sufficiently safeguarded by some restriction on the power of the legislature to pass such special laws. Accordingly, there was retained in the proposed amendment the prohibition of special legislation already referred to.

The amendment, in revised form, was before every session of the legislature from 1916 on. It was several times passed by one house or the other of the legislature, but did not succeed in passing both houses of the legislature until 1922. It was passed for the second time in 1923, and ratified by an overwhelming popular majority at the election in November, 1923.

THE TERMS OF THE AMENDMENT

The amendment grants to every city power to adopt and amend local laws not inconsistent with the constitution and laws of the state relating to the powers, duties, qualifications, number, mode of selection and removal, terms of office and compensation of all officers and employees of the city, the transaction of its business, the incurring of its obligations, the presentation, ascertainment and discharge of claims against it, the acquisition, care, management and use of its streets and property, the wages or salaries, the hours of work or labor, and the protection, welfare and safety of persons employed by any contractor or subcontractor performing work, labor or services for it, and the government and regulation of the conduct of its inhabitants and the protection of their property, safety and health.

The terms and conditions of the grant were left to the legislature, which was directed at its next session to provide by general law for carrying it into effect. But the provision did not stop at merely directing the legislature to grant home rule powers to cities. It contained a restriction on the power of the legislature which was calculated to compel such action. That restriction was of a limited character affecting the power of the legislature only with respect to legislation relating to the property, affairs or government of cities. As to such matters the legislature was thereafter prohibited from passing any law which did not in terms and in effect apply alike to all cities except on a message from the governor declaring that an emergency exists and the concurrent action of two-thirds of the members of each house of the legislature. As to all matters other than the property, affairs or government of cities, the legislature was left free to act by general or special law as it saw fit. Even as to matters relating to the property, affairs or government of cities it could still pass special laws on the certificate of the governor that an emergency existed and by a two-thirds vote in each house. No power of the legislature is taken away. The only restriction is that in the absence of an emergency message and a two-thirds vote, legislation relating to the property, affairs or government of cities must be uniform for all cities,—uniform for *all* cities, not merely for cities of a class: the classification of cities had been found unsatisfactory and was abolished.

THE AMENDMENT AS A BULWARK AGAINST SPECIAL LEGISLATION

The New York amendment seeks to avoid the dangers shown by experience to exist in connection with former home rule measures. It avoids the conflict of jurisdiction, the uncertainty and the litigation which have resulted from self-executing constitutional grants of home rule, by leaving to the legislature the definition and application of home rule powers, subject to amendment and clarification as the need therefor may from time to time appear. It avoids the rigidity and consequent evasion which have marked constitutional prohibitions of special legislation in other states by providing that each city shall be granted power to make special provision for its own local needs subject in all cases to laws passed by the legislature, and by leaving in the legislature full power to deal with municipal affairs by general law, or, in an emergency, by special law, and to deal with all matters other than the property, affairs or government of cities by any form of law, general or special.

The amendment attacks the problem of local self-government by seeking to eliminate what has proven to be the chief practical evil,—special legislation by the legislature regarding strictly municipal affairs. It seeks to remove this evil, first by establishing and declaring in the constitution the principle that cities shall have the right of local self-government; second, by providing for a legislative grant to cities of the power of making their own charters and regulating their own affairs, thus removing much of the incentive for special legislation by the legislature; and third, by making it difficult for the legislature to enact special laws on matters of purely local concern without altogether taking the power away from the legislature.

The restrictions on the power of the legislature, while conservative and limited, proved sufficient to compel obedience to the constitutional command to the legislature. It was soon discovered that no city could obtain an amendment to its charter from the legislature without an emergency message from the governor and a two-thirds vote in each house of the legislature. Governor Smith, a staunch advocate of home rule, declared that he would not grant any emergency messages except in cases of real necessity. The cities of the state were made to realize that their only relief lay in the enactment of a home rule law, and a united effort to procure such a law was made and met with success. A commission was appointed to frame a home rule law; its draft of a law was submitted to public discussion and criticism, and after several hearings and after being several times amended was enacted into law at the 1924 session of the legislature (City Home Rule Law, Laws of 1924, Chapter 363).

THE ENABLING ACT

The city home rule law as enacted grants to the local legislative body of every city the power to adopt and amend local laws in relation to the matters enumerated in the constitution and already referred to. Such laws may either take the form of a new charter for the city or they may be merely amendments or supplements to the existing charter. A public hearing is required before the enactment of any such law. A local law must be submitted to referendum vote of the people of the city if it makes substantial changes in the local legislative body, changes the veto power of the mayor or the law of succession to the mayoralty, abolishes an elective office or changes the method of removing an elective officer or changes the term of

or reduces the salary of an elective officer during the term of his office, abolishes, transfers or curtails any power of an elective city officer except for the purpose of transferring the powers or duties of one branch of the legislative body to the other or to some other local authority, creates a new elective office, changes a provision of law relating to public utility franchises or to the alienation or leasing of city property or relating to the membership or terms of office of the civil service commission of the city, reduces the salary of a city officer or employee which has been fixed by a state statute and approved by referendum vote, or which provides a new charter for the city. A local law cannot take effect until at least sixty days after its adoption and must be submitted to referendum vote if a petition of protest signed by 15 per cent of the voters at the last gubernatorial election is filed within such sixty days, if such local law dispenses with a provision of law requiring a public notice or hearing as a condition precedent to official action, changes a provision of law relating to public bidding, purchases or contracts, or relating to assessments for taxation or special assessments of property for improvements or the exercise of the power of condemnation, or relating to the authorization or issuance of city bonds or other obligations, or relating to the auditing of the city's accounts, or relating to the maintenance or administration of a pension fund or retirement system in connection with the police or fire department of the city. A new charter may be adopted either in the manner described by action of the local legislative body, subject to referendum vote, or the local legislative body may submit to referendum vote the question whether a commission shall be appointed to draft a new city charter and in the event of an affirmative vote provide for the election of such a commission to prepare a charter, which in turn is submitted to referendum vote.

All local laws are subject to all acts of the legislature relating to matters other than the property, affairs or government of cities, whether general or special; in this respect municipal action is subject to state legislation just as fully as are municipal ordinances today. All local laws are likewise subject to acts of the legislature relating to the property, affairs or government of cities which, in terms and in effect, apply alike to all cities. Acts of the legislature relating to the property, affairs or government of cities which do not apply uniformly to all cities are superseded by inconsistent provisions of local laws adopted pursuant to the statute, provided the local law specifies the particular provisions of the act or acts of the legislature so to be superseded. A local law cannot, however, in any case supersede an act of the legislature if such local law removes or raises any limitation of law on the amount by which the city may become indebted or on the amount which the city may raise by tax for city purposes, removes restrictions of law as to issuing bonds or other evidences of debt, applies to the administration of the educational system of the city or a teacher's pension or retirement system therein, changes the number or term of office of the members of the county board of supervisors chosen in the city, applies to or affects any provision in the city of the labor law or the workmen's compensation law, changes any provision of the tenement house law, applies to or affects existing power of the state comptroller over municipal accounts or prescribing forms of municipal accounting, applies to or affects any provision of law providing for regulation or elimination of railroad crossings at

grade or terminal facilities within the city, or applies to or affects any provision of law relating to the property, affairs or government of a county or counties.

The city home rule law thus grants to every city in the state powers of local self-government, safeguarded by requirements for public hearing and popular approval in case of vital changes and subject to the power of the legislature to make such changes in the act itself as experience may prove to be desirable, and subject also to the general power of the legislature to legislate specifically with respect to cities as well as for the state at large. At the same time the power granted to cities is protected against legislative interference by special and local laws except in emergencies.

SOME ADVANTAGES HAVE BEEN REAPED ALREADY

The city home rule law was prepared under some pressure, because of the brief space of time available between the appointment of the commission and the close of the legislative session of 1924. The act, as well as the amendment itself, has been the subject of some criticism, largely verbal, and proceeding in part from that fear of any change which, if unduly heeded, would prevent all progress. Undoubtedly defects will develop and further legislation will be found necessary. The commission has been continued. One of its principal tasks will be to examine the existing laws relating to cities with a view to re-enacting, as uniform city laws, such of them as provide salutary restrictions on the powers of cities, but which, because now applying only to one or more cities, but not to all, could otherwise be superseded by local laws. Some form of initiative by the voters of a city to compel a vote on the question of revision of the city's charter would also seem desirable. Under the law as it stands at present, revision can be initiated only by the local legislative body.

The amendment and the city home rule law have been in effect for too short a time to admit of a final judgment as to their value. They have, however, already borne fruit in the greatly diminished number of laws relating to particular cities introduced and passed at the 1924 session of the legislature. The existence of the power in cities to amend their own charters, thus removing in large part the incentive to apply to the legislature, bids fair to have a greater effect in avoiding the evils of special legislation than any express restriction on the powers of the legislature.

The power of local legislation granted to cities has already been exercised in a number of cases. As illustrations of the practical advantages of permitting cities to adopt specific amendments to their charters, without requiring either an application to the legislature or a complete revision of the entire charter, the following instances which have occurred in the few months since the enactment of the city home rule law may be of interest.

A quarrel of long standing between the comptroller of the City of New York and the mayor led to a controversy between the comptroller and the commissioner of accounts, appointed by the mayor, as to the power of the commissioner of accounts to compel, by subpoena, the furnishing of information by the comptroller. The comptroller sought to cut the gordian knot by obtaining an act of the legislature taking away from the commissioner of accounts his power of subpoena. The constitutional amendment would have prevented the passage of a special law to that effect. It was a general law, however, the civil practice act, which

gave the power of subpoena to officers authorized by law to take testimony, including the commissioner of accounts. The comptroller procured the enactment of an amendment in general terms to this general law, whereby the power of subpoena could be exercised by a municipal officer only if he were the head of a department. As the office of commissioner of accounts was not included in the heads of departments as enumerated in the Greater New York charter, the amendment had the effect of depriving him of his power of subpoena. The mayor countered by securing the enactment by the municipal legislature under the city home rule law, of an amendment to the charter, whereby the commissioner of accounts was designated as the head of a department. This was obviously a matter of purely local concern, in which the intervention of the legislature should never have been sought. Before the enactment of the city home rule law, the change could have been made only by act of the legislature.

The mayor and police commissioner of New York have proposed, as a necessary reform, that the regulation of taxicabs in New York be taken out of the hands of the commissioner of licenses and placed under the jurisdiction of the police department, and have applied to the municipal legislature for the enactment of a local law to that effect. This is clearly a matter concerning which the local authorities are far better able to judge than is the state legislature; yet formerly the change could have been accomplished only by applying to the legislature for a special act.

One of the most troublesome subjects for legislative action in the past has been the fixing and changing by special act, of the salaries of city officers and employees. The cities are now beginning to take this purely local matter into their own hands by the adoption of local laws.

Thus, the brief period since the adoption of the constitutional amendment has already sufficed to show the benefits resulting from the increased power of cities over their own affairs, and from the diminution of legislative interference, and the greater freedom of the legislature to give attention to important subjects of legislation, unhampered by constant demands for local legislation, with the incidental log-rolling. As the people and the officials of cities grow used to dealing locally with local affairs, and the practice of applying to the legislature is gradually abandoned in favor of resort to the local authorities, the advantages of home rule should become increasingly apparent. The method of conferring home rule, somewhat new in form, but based upon the experience of other jurisdictions and adopted after years of study and discussion, which is embodied in the constitutional amendment and the city home rule law, is sufficiently flexible to admit readily of amendment and supplementary legislation to remedy such defects as may be disclosed by further experience.

The constitutional amendment and the city home rule law have, without undue impairment of the powers or functions of the legislature, but, on the contrary, with an increase in its dignity and effectiveness resulting from the elimination of petty local legislation, conferred upon the cities of the state a substantially increased measure of control over their own affairs.

BOOKS AND PUBLICATIONS

PUBLIC FINANCE. By Harley Leist Lutz, Ph.D., New York: D. Appleton and Company, 1924, pp. xvi–681.

This is a valuable and a successful book. The task which Professor Lutz set for himself was to discuss the entire field of public finance within the limits of a moderate-sized volume. The developments of the last ten years have, of course, rendered obsolete the general treatises prepared before that date. Revolutionary changes have taken place and the financial problems faced by the country today are quite different from those of only a few years ago. Professor Lutz has taken the point of view of a citizen of the United States in the year 1924 and has examined the principles and practice of taxation and finance in relation to the problems which he must solve. It is possible by reading this single book to gain an intelligent notion of the character of the problems which face the community today and the possible methods of meeting them. The book is well written. It does not dodge or hedge. It is well-balanced, sensible and trustworthy. It is greatly commended as being the best available introduction to this interesting and highly important subject.

It was, of course, to be expected that a book written by Professor Lutz would be worthy of the high praise given in the preceding paragraph. Students of taxation are already familiar with his excellent book on the *State Tax Commission*. They are aware of his activity over a period of years as editor of the Bulletin of the National Tax Association, and of his connection with special investigating commissions in Ohio and other states. The background afforded by these experiences has given him a point of view which makes his book of particular value to the practical taxation administrator. The problems which he discusses are the problems encountered by the state tax commissioner, the city assessor, the state legislator, the city manager or council member. By referring to this book it is possible for such persons to see their particular problem as a part of the general problem, to grasp more clearly points of theory and principle involved and to learn many of the lessons which the experience of others may teach.

Although the scope of the book is perhaps adequately described when it is stated that it is comprehensive, attention should be particularly called to the satisfactory discussion of Public Expenditures (Part II), Public Credit (Part V) and Financial Administration and Legislation (Part VI). In these fields it has in the past been difficult to secure a satisfactory discussion in brief form and these chapters will be read by many with gratitude.

To write a book which has the appeal of this volume it was doubtless necessary that the author commit himself definitely on a large number of controversial matters. To have avoided controversy entirely would have resulted in a lifeless monograph. It is a matter of great interest to the reader to know what are the opinions of a well-informed and intelligent student of the tax problem like Professor Lutz, and those who find themselves in disagreement with him have no real basis for a quarrel because he is careful to make it clear in almost every case as to whether he is merely expressing a personal opinion or is summarizing the consensus of the judgment of students in general. Thus the reviewer's enthusiasm for the book is not appreciably dampened by the fact that his personal views with regard to a number of controversial points do not coincide with those of the author. For example, his condemnation of the excess profits tax as being "especially incongruous alongside of the steeply graduated taxes in individual incomes" seems unduly severe (p. 444). His failure to wax indignant because of the inadequate scope of the new version of Section 5219 is a disappointment (p. 399). His position with respect to the taxation of capital gains (p. 453) leaves much to be desired. His failure to grasp the significance of the New York proposal with respect to taxes of regulated public utilities is difficult to understand (p. 395) and his position in favor of the withdrawal by the Federal government of inheritance taxation (p. 485) seems to the writer unwise.

But as has been stated above, Professor Lutz, like a good sportsman, almost always gives a full and fair statement of the point in controversy, and, if one occasionally disagrees, he does so respectfully and amiably. The reviewer has used the book as a text in classes on taxation and has found it satisfactory. He believes that it

will be equally satisfactory to any student of public affairs who has sufficient interest in financial problems to read any book at all in this field.

ROBERT MURRAY HAIG.
School of Business,
Columbia University.

THE GOVERNMENT OF KENTUCKY—REPORT OF THE EFFICIENCY COMMISSION. 2 volumes, pp. 1376. (Printer to the Commonwealth of Frankfort, Kentucky.)

These two volumes contain more information about the activities and processes of a given state government observed at a particular time than has heretofore been published. Not only do they present the problems of administrative organization, financial procedure, the budget, and personnel but also, for the first time in a survey of this character, they include reports upon the legislative branch, the judiciary and the county governments. Kentucky may now be listed with the other state governments, twenty odd in number, which have been questioning their methods of operation. It, too, has taken a preliminary inventory of methods and relationships and marked the trends and tendencies which have their roots in the past but which may not be applicable to the present. By means of this report to the governor and the general assembly, the efficiency commission of the commonwealth has submitted the findings based upon frankness of self-criticism and made recommendations to secure a more effective performance of the governmental services.

The report is divided into seven parts, each of which analyzes a major phase of the general problem of government as viewed from the standpoint of operation. Part I, 218 pages, is devoted to *financial administration* and covers descriptively and critically the organization and activities of the financial departments, treasury operation, borrowing policy, budget and appropriation procedure, audit and pre-audit, accounting, and purchasing. Part II, 121 pages, concerns *revenue and taxation* with the story of the general property tax, proposals for improvement, with emphasis upon subjects of reporting, personnel, taxation of coal lands, the need for surveys, assessment of railroad property, automobiles, bank shares, gasoline, inheritances, oil, incomes, corporations, and race tracks. Part III, 49 pages, is a report upon *the administrative structure*, giving rise to the problem of consolidating the seventy-one separate units into the few major departments to obtain greater "simplicity and effectiveness and better coordination and control." Here also is a welcomed brief and concise statement of the *personnel problem* listing requirements for central employment administration.

The section on the *General Assembly*, part IV, 25 pages, gives a comparatively brief statement of "properly disposing of a vast amount of proposed legislation and of formulating wise laws" with comments upon the committee system, legislative bill drafting, regulation of the lobby, and the single chamber. Part V, 106 pages, upon the *administration of justice*, has this statement in the foreword: "This report is intended to be read, not by lawyers only, but by all citizens who are in any way interested in the subject. There has been a disposition to leave all consideration of the courts to the Bar. The efficiency commission, however, takes the position that this is neither necessary nor desirable. The judicial system is no more technical than many other departments of state government." This section of the report contains a study of the structure of the courts, jurisdiction, appeals, the State Bar Association, and the desirability for unification of the judiciary systems.

Part VI, upon *county government in Kentucky*, presents "a general picture of the county government structure and functions, takes up the work of each county office in detail, and devotes special attention to the problems of reorganization and of providing a sound basis for compensating county employees for their services." Part VII, which constitutes the entire second volume of 706 pages, describes in great detail the activities and organization of each of the administrative units of the government and contains recommendations for changes in method, process and structure.

The reviewer recognizes an important and far reaching study conducted by trained specialists who have had wide experience in analyzing the same problems as applied to other governments. These specialists have approached their respective problems through the survey method usually employed. One would hesitate, in a short space, to criticise specifically the recommendations for improvement. It is not certain, however, that reports of this kind, while excellent in detail and covering a wide variety of subjects, always serve to reach by the best route the desired end in

view which, in this instance, is the complete reorganization of the governmental administrative structure. Details, when multiplied by the hundreds and thousands, often confuse in the aggregate. They may cloud clear thinking upon the basic and general fundamentals. This report, for instance, is pointed at the legislators and the voters who alone have power of change. It is possible that a briefer and more condensed report might serve the purpose better. Brevity has a telling effect and often impels action.

But this is aside from the point. It is certain that if the report were condensed into a few pages, students of government would be deprived of two valuable volumes which contain a wealth of information about the government of Kentucky in particular and administrative processes in general.

The directing staff which assisted the efficiency commission included members and consultants of Griffenhagen and Associates, Ltd., Management Engineers and Accountants, with Mr. E. O. Griffenhagen director. Hugh J. J. Reber reported on financial administration, R. O. Beckman on institutions, and H. S. Gilbertson on county government. The special counselors were Jacob Viner on taxation; Herbert Harley on judiciary; E. M. Freeland on accounts; Fred Telford on civil service; P. W. Reeves on education, and George W. Tillson on roads.

Morris B. Lambie.
University of Minnesota.

✤

Federalism in North America. By Herbert Arthur Smith. Boston: Chipman Law Publishing Company, 1923.

This is a comparative study of the political principles which underlie the two great federations on the North American continent. We in the United States are just beginning to appreciate the profit to be gained from a comparison of our constitutional practice with that of Canada. The two nations have so much in common, economically and socially, that each becomes a valuable political testing laboratory for the other. Because we are so much alike a study of our differences always yields dividends.

Professor Smith's comparisons are not always flattering to the United States. In company with many domestic critics, he condemns common American excrescences such as the long ballot and popular election of judges. The office of president of the United States, he tells us, is now the only real monarchy of first class importance in the civilized world. Only here is the chief executive power vested, by law and tradition, in the person of one man. The executive power in Canada resides in a cabinet which corresponds to a board of directors in which the prime minister acts as chairman. The executive power in Canada is therefore lodged in officials who are selected by indirect election, somewhat similar to the plan devised for the election of our president. The author realizes that under Lloyd George the British prime minister tended to be a kind of president, but as yet no such tendency has been revealed in Canada. Executive responsibility is strictly enforced in both the Dominion and provincial governments, and upon this principle the people rely for security rather than upon frequent elections, as in the United States.

In view of the policy of aggrandizement which our federal government has been following to the dismay of those who cherish "state rights," it is interesting to know that the Canadian federation is more "unitary" than ours. In Canada the central government may disallow any act of a provincial parliament, provided it is done within twelve months after passage. Excluding certain concessions made to the Civil Law in Quebec, there is but one law for Canada. Of course there are provincial statutes but the great body of the law applies throughout the Dominion and is enforced by provincial and dominion courts alike. The consequence is uniformity which enables one to speak of Canadian law, whereas in the United States there is no such thing as American law, except in the restricted sphere in which the federal courts move. There is Massachusetts law and Pennsylvania law, but there is no "American law." When we witness the efforts to secure uniform legislation in forty-eight states on important subjects where uniformity is desirable, and when we see the smooth working of Canadian law throughout the Dominion, we are apt to confess that the drift towards federal centralization is both logical and natural.

To the present reviewer, the most interesting part of the book is the chapter on external relations. The British Empire is in a stage of rapid evolution and Canada is asserting her claim to an independent judgment in foreign relations. Already she negotiates her own commercial agreements and has been conceded the right to

independent representation at Washington. Before the war it was admitted on all sides that the last word lay with the cabinet in London. Now, says Professor Smith, it would appear from the precedent set in signing the Treaty of 1919 that the king cannot sign a treaty affecting Canada except on advice of the Canadian Government.

Canada has become a nation, and solemn and sweeping questions have been raised thereby.

H. W. D.

♔

THE BUDGET OF THE COMMONWEALTH OF PENNSYLVANIA FOR THE BIENNIUM, 1925–1927. By Clyde L. King, Secretary of the Commonwealth.

This budget and the accompanying letter of Governor Pinchot reveal an amazing record of successful financial management during the first two years of the present administration. The state's "inherited debt" amounted in 1923 in round figures to $30,500,000, of which $28,300,000 will have been paid by June 1, 1925, and the remainder shortly thereafter. When it is remembered that this debt had been piling up for fifteen years, and that the estimates of revenue for the biennium prepared by the auditor general turned out to have been too optimistic by about $7,000,000, the achievement looms all the greater. The deficiency appropriation tells the same story in another way; in 1921 the legislature was obliged to appropriate deficiency bills amounting to $7,000,000, and in 1923 $5,800,000, while the present budget asks only for $177,000 which is covered about eight times by money appropriated which will lapse into the treasury. Thus has been achieved Governor Pinchot's pledge "to return to the healthy basis of pay-as-you-go at the earliest possible moment."

The budget itself as a financial document is of great interest to students of budget making, for it contains a number of significant innovations. Of these one of the most interesting is the use of charts and diagrams to present graphically the meaning of the figures. Thus the curve of expenditures by months for the biennium 1921–1923, the curve of estimated expenditures for 1923–1925, and the curve of actual expenditures for 1923–1925 (to May 31) has been plotted for each important department. These graphs show up the careful estimating of the first budget, and reveal also some interesting cases of seasonal expenditures. Helpful charts of organization are also included. Cofrective and remedial legislation is inserted in connection with the estimates of each department. The detail budget shows for each department the number, title, and salary of each employee, and in connection with each department there is a summary by accounting heads. These aids to comprehension will be greatly appreciated by all who have occasion to refer to the document.

An interesting evolution is taking place in the form of our state budgets, tending toward clarification and compression. In many ways the fourth Illinois budget, which has also recently appeared, makes an interesting parallel with the Pennsylvania budget. In size it is about one half as large, although containing about the same material. In choice of type it is somewhat more fortunate and in its summary it is distinctly superior. It lacks however the graphic presentation and the organization charts of the Pennsylvania budget. The information contained in the detail budget is about the same. A useful survey might properly be made indicating to what extent there is variation in form, what is now the best practice, and to what degree it might be possible to secure uniformity.

LEONARD D. WHITE.

University of Chicago.

REPORTS AND PAMPHLETS

Michigan State Government.—A recent number of *Public Business*, published by the Detroit Bureau of Governmental Research, is devoted to the constitutional convention proposed for Michigan in 1927. The pamphlet was prepared by Professor Thomas H. Reed and contains a great deal of information regarding recent efforts to amend the constitutions of other states. In accordance with a mandate embodied in the present state constitution, the people of Michigan will vote in 1926 upon the question of holding a convention.

Another report by Professor Reed, also published in *Public Business*, deals with the organization of state government in Michigan under the reorganization effected in 1921. The author states that, while this reorganization materially reduced the confusion of authority, it represents a good work well begun but unfinished. Of particular interest is the appraisal of the newly

created administrative board, which is termed "a powerful organ of centralized control." This board is composed of the governor, secretary of state, auditor general, treasurer, attorney general, highway commissioner and superintendent of public instruction. Professor Reed believes that the present arrangement should be changed to allow the governor to appoint at least a majority of the board, since it contains serious possibilities of conflict which would lead to administrative paralysis. Thus far however the board has been dominated by the governor and has raised the general level of efficiency in the administrative departments.

✻

Zoning Practice in the New York Region is the title of a pamphlet by Edward M. Bassett, published by the Regional Plan of New York and Its Environs. Part I sets forth some aids to the practice of zoning; Part II discusses the application of zoning in New York city; and Part III gives a form of state enabling act particularly adapted to New York, New Jersey, and Connecticut.

Mr. Bassett believes that the absence of any density of population regulations is the greatest shortcoming in the New York city zoning plan. Until the courts take a more liberal view towards the one-family and the two-family house districts, chief reliance, he believes, must be placed upon area regulations in respect to density and upon height restrictions. "Regulation of the number of families," he says, "by different districts on the area map is an entirely different thing from placing one-family detached house districts on the use map." In the latter case there is no relation to light and air requirements; in the former there is.

Mr. Bassett's work for zoning is especially valuable because he is diligent to see that care be taken not to include in zoning ordinances provisions which in the present state of the law would be deemed confiscatory. Thus we may avoid a line of adverse precedents which it would take many years to overcome.

✻

The Financing of Higher Education in Colorado.—This report, prepared by Dr. Don C. Sowers, is a companion piece to his earlier study on the financing of common school education in Colorado. It should prove a valuable source of information to legislators and others who have to decide how much the state can afford for this essential work. It shows that Colorado has been spending increasing amounts in the cause of higher education, but that she is outranked in both educational achievement and per capita expenditure by several of her western neighbors who have less wealth. The burden of higher education is said to rest too heavily upon the owners of tangible property, and Dr. Sowers suggests the applicability of other forms of taxation, such as the income tax, severance taxes and corporation taxes. The present millage tax is held to be admirable as far as it goes, because it gives the institutions a definite basis upon which to plan from year to year; but it is not just to depend upon it alone to support the growing educational needs of the state. Other forms of taxation must be employed, if the burden is to be distributed in accordance with ability to pay.

✻

Operation of Cleveland Municipal Markets.—In this report, prepared by the Municipal Research Bureau of Cleveland, is presented an accurate picture of conditions attending the operation of municipal markets in that city. Recognizing that the two basic requirements of municipal market operation are, first, to provide sanitary conditions for the display and sale of food stuffs; and second, the operation of these facilities on a self sustaining basis, particular attention is given to these matters in the report. The present financial policy governing market operation, which has resulted in an annual deficit, is clearly analyzed and specific recommendations are made outlining the requirements of sound policy. The presentation of both the findings and the recommendations is moderate in tone and consistent with sound practice. In publishing this report the Municipal Research Bureau of Cleveland has conferred a real service on the community of which it is a part.

W. A. B.

✻

Records of Property Belonging to the State of Washington.—Director L. D. McArdle of the department of efficiency of the state of Washington has prepared two very interesting reports. One contains a complete record of the operating real property belonging to the state government on June 30, 1924; the other contains a similar record of all state park sites owned by the state government on September 30, 1924. These reports show when each parcel of property was

acquired by the state, the monetary consideration, where the deed is recorded, the metes and bounds of the parcel, and in most instances a map of the plat. Many state governments would profit by having similar records made of their properties. In some states it is almost impossible to list the property belonging to the state government because of the haphazard manner in which the records have been kept over a great many years.

A. E. B.

✠

The Voting Machine—Its History, Use and Advantages.—This is the title of an eighty page pamphlet issued by the Political Research Bureau of the Republican County Committee of New York. It was prepared by T. David Zuckerman, director. The report advocates in strong terms the adoption of the voting machines and is the most comprehensive study of the subject in print. It describes the attempts to install voting machines in New York City which to date have been frustrated by the opposition of the Democratic administration. The report then traces the history of invention and development of the modern machines, describes the extent of use and advantages over paper ballots, and analyzes the objections raised by opponents. Copies may be secured from the office of the committee, 150 Nassau Street, New York City.

✠

Proceedings of Assembly of Civil Service Commission.—The proceedings of the 17th annual meeting of the Assembly of Civil Service Commissions held last year in Detroit contain an unusually large number of interesting papers touching upon personnel problems in both public and private employment. Among others is a paper by Fred Telford on developments during the past year; one by William Gorham Rice on the accomplishments of the Bureau of Public Personnel Administration and one by Dr. L. J. O'Rourke on research in examination methods. David J. Reese of the California State Civil Service Commission is president of the Assembly and Charles Shaughnessy is secretary-treasurer.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY ARCH MANDEL

"Taxation for State Purposes in Pennsylvania, With Notes on Tax Laws in Other States" is the title of a report recently issued by the Pennsylvania State Chamber of Commerce at Harrisburg. This study was made by Dr. Leonard P. Fox, manager of the Chamber's research bureau, for consideration by the organization's special committee on state taxation. Dr. Fox was a member of Governor Sproul's Commission on Reorganization of State Government and of Governor Pinchot's Citizens Committee on Finances of the State of Pennsylvania.

The report contains introductory chapters on the high cost of government; separation of sources of state and local revenues; development of the Pennsylvania state tax system; and a summary of Pennsylvania tax laws. Other chapters analyze the advantages and disadvantages of existing or proposed state taxes in Pennsylvania on corporations generally, manufacturers, public utilities, banks, merchants, gasoline and automobiles, anthracite coal, inheritances, income and miscellaneous subjects. Under each head reference is made to similar tax levies in other states.

*

New York Bureau Notes.—There are nine men in the training course organized by the National Institute of Public Administration. These men are preparing themselves to serve eventually as city managers, or to enter fields of government research. Five of these men are students of the School of Citizenship and Public Affairs of Syracuse University. They are in New York for a period of two months.

Bruce Smith, specialist in police administration of the New York Bureau, is putting the finishing touches on his survey of state police systems. In connection with this study he has served as a member of state police organizations in several states and has visited every important state police headquarters, including those of Texas, Colorado, Pennsylvania, New Jersey, Connecticut, Massachusetts, New York, and the Royal Canadian Mounted. The report of this study will be published in the near future with an introduction by Colonel Arthur Woods.

A. C. Fensel, working under the guidance of Philip H. Cornick, has completed a formula and chart by means of which the assessments of irregular lots may be computed on the basis of the Hoffman-Neill depth curve. This study will be published in the near future. Mr. Fensel was a student at the National Institute of Public Administration in 1924 and is serving as an assistant to the city manager of Ashtabula, Ohio.

Col. A. B. Cutter, a student at the National Institute of Public Administration in 1923, has been appointed city manager of Fort Myers, Fla. He has been in charge of important public improvements in Bluefield, W. Va. since leaving the Institute. He served as a member of the staff in the survey of Camden, N. J., in 1923.

Luther Gulick spoke at the mid-winter meeting of the New York Conference of Mayors and Village Executives on the subject, "New Sources of Municipal Revenue," and at the annual meeting of the Ohio Tax Association on the subject, "Balanced Budgets."

Wylie Kilpatrick, who has been working with the Institute on its study of local revenues for the New York State Legislative Committee on Taxation and Retrenchment, has accepted a position as instructor in the School of Citizenship and Public Affairs at Syracuse University.

The summer conference on the science of politics is to be held in New York under the joint auspices of the National Institute of Public Administration and Columbia University, September 7–11. Luther Gulick has been asked to take charge of a round table in municipal administration.

*

The Committee on Public Economy of the Ohio Tax Association, of which R. E. Miles is chairman, submitted its report to the Association, embodying the following recommendations, which were adopted by the Association at its last annual meeting:

1. Further restrictions should be placed on the bond-issuing powers of political subdivisions of the state.
2. A balanced budget system should be made mandatory for all taxing districts, and

effective means provided for its enforcement.

3. The number of political subdivisions in the state should be greatly reduced.
4. There should be a reduction of election costs.
5. The state should assist in reducing the costs of school buildings.

Also included in the report were the following five tests, set up by H. G. McGee of Akron, considered essential, to be met by contemplated public improvements:

1. Assuming the proposed activity or service to be really needed, can it be performed more effectively and economically under governmental than under private management?
2. Can the community afford the expenditure, however desirable it may seem to be?
3. Is the proposed service or improvement worth the money?
4. Can a proposed improvement, if considered advisable, be obtained at a lower cost?
5. Is the proposed service or improvement more important than any other use for the same money?

Copies of this report may be obtained from R. E. Miles, 277 E. Long St., Columbus, Ohio.

*

Annual Meeting.—The next annual meeting of the Governmental Research Conference will be held in conjunction with the National Municipal League in Pittsburgh on November 17, 18 and 19.

ITEMS ON MUNICIPAL ENGINEERING

EDITED BY WILLIAM A. BASSETT

Gasoline Tax Abandoned in England.—The policy of levying a tax on gasoline used in the operation of motor vehicles as a means of providing funds for highway purposes was discontinued by the ministry of transport of Great Britain after being in force for a number of years. According to A. B. Fletcher, consulting highway engineer, United States bureau of public roads, "in place of the gasoline tax as a revenue producer a tax of £ 1 (about $4.80) per horse-power of the motor vehicles was substituted.

"This tax is still in effect, and the owner of a Ford car, for example, pays into the public treasury annually very nearly $100 for the privilege of driving on the British roads. The high registration fee has fostered the manufacture and use of low-powered cars, and special attention has been given to small-cylindered motors and high piston speeds.

"The ministry does not favor a proposed plan to return to a gasoline tax, while the motor interests are pressing for, chiefly, I believe, because the officials dislike to abandon a source of assured income for a plan which they think to be less sure. They say they need at least £ 15,000,000 per annum for the roads; that the present taxing plan will surely produce that revenue; and that their experience with the collection of the gasoline tax prior to 1921 has not left happy memories. The old relatively high gasoline tax was doubtless evaded in many instances. Sir Henry Mayberry, chief of the ministry of transport, says that while the motors were increasing in numbers from year to year in an astonishing fashion, the receipts from the tax remained nearly constant. Much of the gasoline and the kerosene imported into England nominally for heating and manufacturing purposes doubtless found its way into the tanks of the motor cars."

*

City Water Systems as Self-Controlled Utilities.—An interesting and forceful argument has been made by V. Bernard Siems, water engineer and president of the Water Board, Baltimore, in favor of conducting the administration of municipally owned water works under the jurisdiction of a board largely independent of other branches of a city government. This brief was submitted to the Efficiency and Economy Committee of Baltimore, which committee is studying the matter of city department reorganization and in one of its recommendations proposes the establishment of the water department as a co-ordinate division of a department of public works. Mr. Siems' argument is devoted mainly to an exposition of the theory supported by court decisions, that when a city operates a water works plant it engages in a commercial enterprise. From these decisions he draws the somewhat untenable analogy between a water board and the board of directors of a public utility company.

In support of his contention Mr. Siems cites the experience of Hartford, Connecticut, Detroit, Michigan and Los Angeles, California, as examples of particularly successful operation of water supply matters under independent boards. To these might well be added Charleston, South Carolina, and in many respects the city of New Orleans with its sewer and water board. One can appreciate the point of view of such men as Siems of Baltimore, Saville of Hartford, Gibson of Charleston and Fenkell of Detroit in endorsing and urging the retention of an administrative arrangement which has secured unhampered direction of water supply matters and satisfactory accomplishment in service rendered. In these cases, however, the outstanding ability of the individuals mentioned, working in harmony with an intelligent board, has been the main factor in producing results rather than anything inherently advantageous in a board itself. There are sound grounds for not including the water department of Baltimore as a co-ordinate division of a department of public works. The magnitude and specialized character of its activities justifies the retention of the water department as a separate entity in the city government. The wisdom of placing its administration under an independent board or a single department head is debatable. Alert and intelligent public opinion can ensure efficient service to the public under either plan.

Regulation of Billboard Advertising.—The establishment of some satisfactory regulation of billboard advertising is a matter that concerns the public as a whole and an educated public opinion should see to it that steps are taken to accomplish this. That communities in other countries than ours are confronted with this problem is shown by a case recently brought before the courts in East Sussex county, England. According to an editorial comment appearing in the English *Municipal Journal* "Under a by-law framed in 1912 in accordance with the provisions of the Advertisements Regulations Act, 1907, the East Sussex county council summoned five defendants who, it was alleged, had erected advertisements in such a manner that they disfigured the natural beauty of Sweet Hill, Patcham, on the South Downs. A portion of the land in the vicinity of Sweet Hill, it appeared, had been purchased by one of the defendants, and he, assuming no doubt that he could do what he pleased with his own property, himself erected a sign upon the estate, and leased a right to erect other signs to the other four defendants.

"The case is not without its humour. In the course of evidence for the county council it was admitted that that body could only ask for the removal of the advertisements, and not of the billboards on which they were displayed. It is to be hoped that this deficiency in the law may soon be remedied, since the defendants, even though they remove the lettering, threaten to paint the hoardings red. It cannot be permitted that the purpose of the legislature should be smothered by a pot of paint.

"Though a verdict was given for the county council that fact does not obscure the strangely unpleasant character of this particular offence. The owner of the land, to whom natural beauty seems to have made no appeal, divides his allegiance between property on this plane and the hope of salvation hereafter. On a hoarding forty-eight feet by sixteen, the owner of the land advised his fellows to watch and pray, on the ground that 'man brings about his own destruction,' and because the 'next air battle will be the end of the world.' It is much to be desired that the decision of the Hove county magistrates will involve that gentleman in very heavy loss. To spoil a landscape to satisfy one's own religious fervour is a form of egotism and a desecration of nature that ought to be suppressed; to develop an estate whilst warning mankind of an impending end, and taking rents meanwhile, is an odious cynicism for which he that can adopt such a course should be made to pay heavily.

"The East Sussex county council is to be congratulated as much for an attack on cant as for its success in its endeavours to preserve the beauty of the countryside."

*

Stability Test for Asphalt Mixtures.—By the development of a simple test for determining the stability of asphalt mixtures announced by Prevost Hubbard, chemical engineer, the Asphalt Association meets a long felt need in street paving work. The essential features of the testing apparatus are a hollow metal cylinder 2 inches in diameter into which fits a solid metal plunger. The top of the cylinder is open and the bottom consists of a removable plate $1\frac{3}{4}$ inches in diameter and a fixed annular ring $\frac{3}{8}$ inch wide. In testing asphaltic materials the mixture to be tested is placed in the cylinder with the removable plate in place and pressure is applied to the mass by means of the plunger until a compression is reached substantially equivalent to that obtained on the asphalt pavement by the use of the regulation road roller. By this procedure a test briquette, 2 inches in diameter and 2 inches thick, is obtained. The test piece is then replaced in the cylinder with the bottom plate removed, support being furnished by the annular ring. Pressure is then once more applied to the test piece and the loading which produces a shear or flow of the mixture through the bottom opening is recorded. This loading gives a measure of the stability of the asphalt mixture under test. Results obtained in this way show a very close approximation to those previously developed by other means. The apparatus required is inexpensive and simple of operation and can be set up readily at any field mixing plant.

NOTES AND EVENTS

East Bay Cities Unite to Secure Water Supply.—Nine of the cities on the east side of San Francisco Bay, opposite the city of San Francisco, have united to form a utility district for the purpose of securing an adequate water supply. These cities, which include Oakland, Alameda and Berkeley, now secure their water from a private company. The supply, is furnished by wells and local catchment areas and is insufficient and unsatisfactory. At the last election the people of the district voted a bond issue of $39,000,000 to construct a reservoir at Lancha Plana, 87 miles away. As soon as the present suit testing the validity of the bonds is settled the work of construction will be commenced. William J. Locke, Secretary of the League of California Municipalities, is attorney for the district.

Fellowship Offered by National League of Women Voters.—The National League of Women Voters has announced a fellowship of $1,000 for the study of the American Indian problem and the policy of the government in Indian affairs, to be awarded to a woman graduate of an approved college or university. The fellowship covers one year's study at the Robert Brookings Graduate School, Washington, D. C. Applicants must have had a full year of graduate work in economics and government. Applications must be in by May 1. Copies of the announcements and forms on which application can be made may be obtained from the office of the National League of Women Voters, 532 seventeenth Street, N. W., Washington, D. C.

Niagara Frontier Planning Board.—A bill has been introduced into the New York legislature providing for a Niagara Frontier Planning Board to be composed of city and county officials in the Niagara region of the state. This measure is an outgrowth of a conference held last fall at the call of Governor Smith for the purpose of discussing the planning needs of the Niagara frontier, which includes Erie and Niagara counties. Buffalo is the industrial and economic center but the growth of population and manufacturing in neighboring cities has been so rapid that the whole region has become an industrial unit.

Recognizing that the area is subdivided into different governmental units the feeling of those behind the movement is that the future of the district should be planned as a whole. The purpose of the bill is to provide a commission for this purpose with power to investigate and report.

Financial Prophecy Makes Good.—Our readers may be interested in knowing of at least one case in which a prophecy relating to a city's taxable property, assessments and tax rates made good. On page 662 of the REVIEW for last November, Luther Gulick estimated what the total assessments, the municipal, budget and the tax rate would be for New York City for 1925. We now have to report that his estimate on total assessments was correct within .17 per cent; his estimate of new housing which would be exempt under the New York law was correct within 3.6 per cent. His guess as to the budget was correct within .25 per cent and his prediction as to the tax rate was correct within .37 per cent.

Total assessed valuations for all real estate in New York City are $11,900,000,000. The municipal budget for the year 1925 totals $398,954,228 and the tax rate is $2.68 per hundred.

Vermont Institute of Municipal Affairs.—During February the Bureau of Municipal Affairs of Norwich University, Vermont, held a two day institute at which various subjects of municipal government were discussed. These included forestry as a municipal enterprise, debt legislation and city planning. One whole session was devoted to the city manager plan. This was the first conference on local government ever held in Vermont.

Further Antiquarian Research into History of Speed Laws.—In the January issue we ran an item, "First Speed Law Passed in 1757," which gave the city fathers of Boston credit for originating what has become the modern speed law. Now Harold S. Buttenheim calls our attention to the claim advanced by Newport. It seems that in 1678 the assembly of the colony passed a resolution prohibiting the riding of "either horse, mare or gelding" at a gallop or running speed. In the preamble the resolution states that a small child had been injured in Newport "by reason of fast and hard riding of horses in said town." Mr Buttenheim suggests that perhaps someone will

some day discover footprints on Plymouth Rock indicating that the Pilgrim Fathers regulated traffic when landing from the Mayflower.

✾

Bond Administration in St. Louis.—The St. Louis Bureau of Municipal Research has called the attention of the people of that city to wasteful practices followed by the city government in the issuance of municipal bonds. Bonds are sold before the proceeds are needed for construction work. Several millions of dollars thus remain on deposit, the city drawing only 2¼ per cent interest although the bonds bear interest at 4½ per cent. The Bureau rightfully insists that the sale of bonds should be delayed until the city is ready to proceed with the work. By so doing an immense saving in interest charges will be effected.

✾

State Pamphlet Under Fire.—Advocates of economy in state government are urging that the Oregon voters' pamphlet be discontinued. They insist that the annual cost of printing, postage, and upkeep of mailing lists and so forth, is $250,000. Returns, they say, indicate that not more than 40 per cent of the copies mailed out reach the homes of the voters.

The value of a voter's pamphlet along the Oregon lines has been highly esteemed by many, and in spite of the cost involved we predict that it will not be abolished without a sharp fight.

✾

City Manager Pays Tribute to University Bureau of Public Administration.—In an address before the annual convention of the League of California Municipalities John N. Edy, city manager of Berkeley, testified to the wide use which the city administration made of the municipal reference bureau of the University of California under the directorship of Professor Samuel C. May. This department of the University, known as the Bureau of Public Administration, has gathered some 30,000 pieces of literature dealing with municipal government, to which the city officials have access. In addition, the bureau compiles special reports and collects information for the city. Students specializing in public administration are available for city work on a part time basis, and their services have proved helpful, especially in connection with budget making.

✾

P. R. Amendment to California Constitution.—An amendment to the constitution of California to make the use of proportional representation optional for any municipality in the state has been introduced in the California legislature by Assemblyman Albert A. Rosenshine of San Francisco, and referred to the committee on constitutional amendments. A similar amendment was introduced at the last session of the legislature, shortly after the supreme court had declared Sacramento's use of P. R. unconstitutional, at the instigation of the board of freeholders which framed Sacramento's P. R.-Manager charter. The amendment passed the senate the last time but failed to pass the assembly. The campaign is being conducted this year under the direction of Walter J. Millard, field secretary of the National Municipal League and the Propertional Representation League, who reports influential support for it in Los Angeles and other cities, as well as Sacramento and San Francisco.

✾

Cook County Efficiency Program.—Cook County, Illinois, has been carrying on for about two years a program of efficiency and economy which, according to last reports, is resulting in material saving and improvement in the quality of work in the county offices. J. L. Jacobs & Company are the consultants in charge.

According to the 1925 report of the judges of the circuit court, the changes introduced with the aid of the efficiency experts have resulted in a reduction in the number of court employees amounting to 546 below what would have been necessary under old conditions.

It was expected that further reductions would be possible during the second year of the operation under the new methods, not only in the departments coming under the jurisdiction of the circuit court judges but in other departments as well. A conservative estimate seems to be that $1,650,000 will be saved annually when the efficiency program has been completely carried out.

A part of the plans calls for legislative action. Pending such action the improvements have come largely through the adjustment and rearrangement of help, the substitution of mechanical for long hand methods in preparing the voluminous tax records, the use of photographic and dictation machines, the adoption of uniform time keeping and a central payroll system, and the introduction of modern labor saving machines. The report to the county commissioners states that the appropriations for 1925 were reduced $800,000 due to the adoption of efficiency

measures. This saving is over the 1922 expenditures made before the present efficiency program was begun.

✠

Gasoline Storage Regulations Upheld.—In the case of the *Cities Service Company* vs. *Marysville* in which the opinion was filed on January 10, 1925, it was held by the supreme court of Kansas that, under statutory power to enact all such ordinances as may be expedient for maintaining the welfare of the city, the council may regulate the manner in which kerosene and gasoline may be stored within the corporate boundaries, and an ordinance forbidding the storage of such fluids (except in small quantities) otherwise than in tanks buried at least three feet underground, is not invalid on its face, and one who attacks it as unreasonable as applied to the particular state of facts, has the burden of overcoming strong presumptions in favor of its validity. It was held that in the present case such presumptions were not overcome.

This was an action in equity upon the application of the Cities Service Oil Company for an injunction restraining the city from enforcing an ordinance forbidding gasoline, kerosene, or other inflammable or combustible liquids to be kept or stored within the corporate boundaries otherwise than in tanks, barrels or other containers buried at least three feet underground, exceptions being made in the case of crude oil, distillate, or fuel oil, in containers of five hundred gallons or less, and of gasoline, kerosene and naptha in quantities of less than ten gallons.

The court held that the ordinance in question could legally be passed and enforced under the "general welfare" and "police power" clauses of the state statutes. It was held that the ordinance did not prohibit the use of property for a given purpose but merely regulated the manner of storage. Striking cases of explosions and fires involving such oil tanks were read into the testimony.

HARVEY WALKER.

✠

Chicago's Sewage Disposal Dilemma.—A decision of the United States supreme court restraining the city of Chicago from diverting water from Lake Michigan for purposes of sewage dilution, in excess of 250,000 cu. ft. per minute, may have the effect of enforcing the installation of meters over the entire water supply distribution system of that city. Since 1899 the city of Chicago, acting under a permit granted by the secretary of war, has been diverting water from Lake Michigan through an artificial channel that takes the place of the Chicago River, formerly a small stream flowing into the lake. This channel which flows into the Des Plaines River and thence into the Mississippi receives a considerable part of the sewage of the city of Chicago and the diversion of water from Lake Michigan has been for the purpose of securing the necessary dilution of that sewage to prevent serious nuisance. The amount actually diverted, it is claimed, has exceeded materially that permitted and the supreme court has ruled that such excess diversion constitutes an infringement of the rights of other communities with interests in the lake and, therefore, that the practice must be stopped. This means that Chicago must take immediate steps to provide for extensive treatment of its sewage as it would be unthinkable to discharge it untreated into Lake Michigan, and the reduction in amount of water that may be diverted through the drainage canal will restrict materially the use of the latter for untreated sewage. The cost of operating treatment works will depend largely on the amount of sewage to be treated.

Sewage has been defined as the spent water supply of a community and the amount of sewage to be handled, naturally, will vary with the consumption of water. For many years Chicago has had the unenviable reputation of being an unnecessarily extravagant user of water. According to the 1923 report of the department of public works of Chicago, the consumption during that year amounted to 271 gallons per day for each inhabitant or over twice the per capita consumption of New York City As all of the water supply for Chicago has to be pumped, the excessive consumption means correspondingly excessive cost of obtaining the supply. Undoubtedly, one of the main contributing factors to the high water consumption is the relatively small percentage, 28.85, of the supply that is metered. The economies that could be effected in furnishing water supply to Chicago by the installation of meters over the entire system and the imperative need for adopting a more rational system of water charges that the present one, as a means of securing necessary revenues, have been admirably presented from time to time for the consideration of the city government by John Ericson, city engineer. However, up to the present time, probably due in large measure to political expediency, favora-

ble action has not been taken in this matter. Now that Chicago faces the probable necessity of pumping the bulk of its water supply twice, once as potable water and once as sewage it is doubly important that prompt action should be taken to reduce the extravagant use and waste of water. That universal metering of the supply will aid materially in this accomplishment is unquestioned. A reprieve in enforcing immediate compliance with the order of the supreme court has been granted the city of Chicago by a conditional permit issued by Secretary Weeks of the war department. This permit enables Chicago to divert, for the next five years, 8,500 sec. ft. of water from Lake Michigan, the amount to be reduced progressively thereafter to not over 4164 sec. ft. by 1935. Immediate construction of sewage treatment works is required under the terms of the permit and also the metering of at least 90 per cent of the water supply services within the city, the installation of meters to be made at the rate of ten per cent each year. With respect to the requirement of metering it will be interesting to see with what grace Chicago will accept the situation of being figuratively black jacked into doing something that if done years ago would have been of tremendous financial benefit to the taxpayers of that city.

WILLIAM A. BASSETT

Chicago Citizens Voting on Street Railway Ordinance.—The city council of Chicago passed an ordinance to provide for a comprehensive municipal transportation system. It will be voted on by the people this month.

It provides for the purchase of the surface and elevated lines, the construction of subways, the extension of the surface and elevated lines, the acquisition of added equipment, the construction of power houses, etc.

The surface lines comprise about 1,000 miles of single track. There are nearly 200 miles of elevated lines. Over 200 miles of elevated and about 250 miles of surface lines are listed in the new extensions for the next ten years.

The extent of subway construction is not clearly indicated but may be anywhere from 15 to 45 miles of single track.

The ambitious program will, it is estimated, involve an expenditure of at least $621,000,000.

Existing surface lines, $163,000,000; elevated lines, $85,000,000. Subways, surface and elevated line extension, equipment, etc. to cost an additional $373,000,000.

While those who shaped up the program spent at least a year and a half in secret conferences with bankers and traction magnates, the public is given less than 30 days in which to study it and reach a decision. The ordinance as presented to the council, comprised over 200 pages. At the time it was passed 128 amendments were presented and adopted. It is one of the most complicated ordinances that has ever been passed in Chicago.

A few printed copies of the amended ordinance were first available to the public on March 6. The referendum election is to be held on April 7.

While the mayor vetoed the ordinance of 1918 and went out to defeat it in the referendum, most of the opponents of that ordinance consider the present one much worse in almost every detail. Though it is called a municipal ownership ordinance, it has been dubbed by some the "municipal bag-holding" and by others, the "unloading ordinance."

A very high price would be paid for both the elevated and surface lines. Seattle paid about $75,000 per mile of single track when it took over the lines there at a total cost of $15,000,000. Chicago, if the deal goes through, will pay about $164,000 per mile of single track or about $163,000,000 for 993.6 miles.

A board of control is created, made up of nine members appointed for a term of nine years. The members cannot be recalled or removed except for malfeasance in office. It has full control of finances and construction. Little is said about operation. If, however, the proposition for operation does not carry at the referendum and the one for ownership does, then the question of what disposition is to be made of operation is left entirely blank as far as the provisions of the ordinance are concerned.

As constituted, the board will have three members appointed by the mayor, three by the bankers' committee of security holders, and three by joint agreement or action of the mayor and the security holders' committee.

Those favoring the ordinance claim that it is municipal ownership. Those opposed, claim it is not in any sense a municipal ownership arrangement but that, in effect, it is giving an indeterminate franchise grant. The 50–50 control arrangement holds until 51 per cent of the securities are paid off. At that time the board is to be reduced to seven members with three appointed by the bankers and four by the mayor from a restricted group.

The board issues securities or certificates in exchange for the property of the present companies and for constructing subways, extensions and equipment. These are a lien on the property purchased or constructed and on the earnings of the lines. While the board is not in any sense responsible or responsive to the public will or to any control by the city council, it will sit tight and raise fares to whatever rate is necessary to meet costs. With divided responsibility and possibly absolute independence from any control or regulation, the opponents of the ordinance do not see anything of promise in the way of honesty or efficiency in the conduct of the undertaking.

Sometimes we can learn from the experiences of others. The people of Seattle are pretty well convinced that they paid at least twice as much for the street railway lines there as they were worth. They had to raise the fare for a time to ten cents. Chicago will pay more than twice as much per mile for single track as Seattle paid. Seattle paid about $75,000 per mile of single track while Chicago is to pay about $164,000 per mile for rather badly worn second hand property.

The average fare in Chicago, computed for both elevated and surface lines, is slightly over seven cents. If the scheme goes through with the excessive prices for both surface and elevated lines and the ambitious program of additions, extensions and subway construction is carried out, there is no telling what the fare will have to be. It will almost surely have to go to 10 cents and possibly to 15 cents or more.

Most honest advocates of public ownership are opposing the present ordinance the same as the real public ownership people opposed the Seattle purchase at that time.

At the election on February 24, the traction question was not an issue in many of the wards. In at least two where it was a sharp issue, the aldermen who had opposed the ordinance were returned with good majorities although their regular party organizations were against them.

CHARLES K. MOHLER.

NOTES ON MUNICIPAL AFFAIRS ABROAD

EDITED BY W. E. MOSHER

Employee Co-operation in England.—A recent issue of the *Whitley Bulletin* contains several references that indicate the steady progress that is being made by the joint arrangement known as the Civil Service National Whitley Council, whereby representatives of the officials and the staff investigate and discuss the problems of the British government service. Among other things, reference is made to the work of a committee which has resulted in a treasury order governing the appointment of ex-service men to the civil service and prescribing other conditions pertaining to their status. Incidentally, this orderly and discriminating procedure contrasts in a very marked way with the blanket preference extended to veterans under the federal law in the United States.

Secondly, it is indicated that satisfactory progress is being made in the direction of establishing an arbitration court which is to pass upon matters affecting the civil service that cannot otherwise be satisfactorily settled. It is stated that the new Arbitration Board will begin to function in the near future.

Thirdly, one of the most interesting features of the activities of the Whitley Council is the systematic development of plans for what is commonly called "further education." It appears that the central committee of the National Whitley Council drafted a constitution for a Civil Service Council for Further Education in July, 1924, and drew up a program of studies for the consideration of the various staff organizations. As evidence of the realization of this scheme, an extract from the annual report of the Inland Review Department, cited in the January *Bulletin*, calls attention to the fact that the educational committee of this department has made arrangements for a series of lectures on the following subjects: Economics, Psychology, Appreciation of Art, and Advanced French. This is an example of what is going on in various departments.

Finally, a review of the objects noted in extracts from departmental reports, which are brought together from time to time in the Bulletin, is most enlightening. It is clear that all sorts of interests ranging from classification of employments to sick leave and benefit funds are taken under consideration by the departmental committees and in some cases brought to the attention of the National Council.

One such series of extracts concludes with testimony regarding the relations of the officials and the staff members of the Whitley Committee in a single department, which to all appearances applies generally to the various departmental committees. It is stated that, "the relations with the official side have been uniformly friendly and helpful and the staff side has no reason to complain of lack of scope within the wide limits of the constitution and, finally, that the Departmental Whitley Council may now be said to be fairly established as an effective instrument in the administration."

✠

German Municipal Organization at a Glance.—In view of the widespread state of unrest in the matter of municipal government in Germany and the probability of a thorough-going reorganization within the framework of a new imperial law, an enterprising author (Meyer Luelmann) has brought together in the form of tables, the essential features of municipal government, according to the conditions existing in the various countries of Germany at the present time. Prussia alone forms an exception in that reference is made not to existing laws but rather to the provisions of a new bill which has already reached the third reading in the Prussian Diet.

The statutes of the following countries are reviewed: Prussia, Bavaria, Saxony, Wuerttemberg, Baden, Thuringia, Hessen, Mecklinberg-Schwerin, Oldenburg, Braunschweig, Anhalt.

In bringing the material together, the compiler has restricted himself strictly to the municipal fields without taking into account the relations between the municipality and state. The tables, covering four quadruple and one double page, make possible comparison between the various types of municipal organization with regard to ten main points. The headings are as follows:

1. Organs of Government (whether public or non-public sessions).
2. Constitution of These Organs.

3. Chairmanship of Various Bodies; Voting Powers of the Burgomaster and the Paid Councilors.
4. The Method of Election and the Right of Franchise, as well as the Eligibility for Elective Office.
5. Period of Office Holding of the Various Officials and the Provision for Special Elections.
6. Rights and Degree of Co-operation of the Various Organs in the Affairs of Self-government.
7. Conditions Governing Initiative and Referendum.
8. Functions and Constitution of Committees and Special Commissions.
9. Method of Selecting the Chairman of Such Committees and the Membership and Voting Rights of the Burgomaster and the Paid Councilors.
10. Retirement Provisions of the Burgomaster and Paid Councilors.

In his introductory statement, the author indicates that it is his purpose to go to the heart of the whole municipal government. It appears to the reviewer that he has been successful in this and has provided those interested in German conditions with a very useful scheme for ready reference. (*Zeitschrift für Kommunalwirtschaft*, Berlin, January 25, 1925.)

✤

Town and Regional Planning.—The report of the proceedings of the International Federation for Town and Country Planning and Garden Cities, held at Amsterdam, July, 1924, affords a bird's-eye view both of the achievements and the problems of the most progressive city planners who gathered at this time from twenty-eight different countries. The total attendance was five hundred. The subjects covered were the following:

1. General principles of regional planning.
2. Technical problems in regional planning.
3. Legal problems.
4. Parks, park systems and recreation.

Papers had been prepared by some of the foremost men in the field. Molière, the president of the Netherland Council of Local Administration, Dr. Unwin of the British Ministry of Health, Dr. Schmidt, the director of the Regional Planning Association of the Ruhr, Thomas Adams, Mr. Shurtleff and Mr. Goodrich of the staff of the Regional Plan of New York and Its Environs, Professor Hubbard of Harvard University and Professor Abercrombie of the University of Liverpool, were among those contributing to the official program.

Seven resolutions which were formally adopted, as they summarize the sentiments of the conference in a compact form, are quoted in full:

1. An unlimited expansion of large cities is undesirable. The conditions prevailing in the very largest agglomerations are a warning to cities of more modest proportions.

2. Decentralization by means of satellite towns should be considered as a means in many cases for preventing excessive enlargements.

3. It is desirable for the built-up parts of cities to be enclosed by green belts intended for, and to remain set apart for agriculture and horticulture, cattle breeding, etc., in order to prevent the formation of endless seas of houses.

4. The very rapid growth of traffic, especially that of motor cars and motor buses, renders it necessary for very special attention to be devoted in the future to the traffic problem, local as well as that between towns.

5. The preparation of regional plans is necessary for the development of large cities, particularly where they are situated in the immediate vicinity of a large city. In these regional plans, points 2, 3, and 4 will have to receive full attention in the first place. These plans therefore should not be mainly plans of extension, but designed to prevent entire districts from being covered with continuous lay-outs.

6. These regional plans should be elastic and be changed according as conditions alter. Such a modification should only be made for reasons derived from public interests.

7. It is essential that in connection with town and regional plans, power be given to ensure that land zoned for certain purposes is put to that use, while the plan remains in effect.